

**Puravankara Limited – Consolidated  
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 Consolidated Ind AS Financial Statements****Opinion**

We have audited the accompanying consolidated Ind AS financial statements of Puravankara Limited (hereinafter referred to as "the Holding Company"), its subsidiaries, associates and joint ventures collectively referred to as "the Group" comprising of the consolidated Balance sheet as at March 31, 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

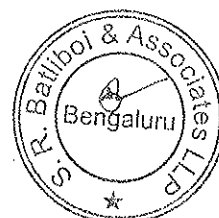
In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2019, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the consolidated 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 Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group 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 consolidated Ind AS financial statements.

**Emphasis of Matter**

We draw attention to note 37(c) to the accompanying consolidated Ind AS financial statements in connection with certain ongoing litigations. Pending resolution of the litigations, no provision has been made towards the vendor's claims and customer's counter-claims and the underlying customer's receivable is classified as good and recoverable in the accompanying consolidated Ind AS financial statements. Our opinion is not qualified in respect of this matter.



# S.R. BATLIBOI & ASSOCIATES LLP

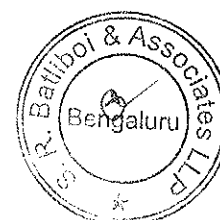
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## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated 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 consolidated 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 consolidated 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 consolidated Ind AS financial statements.

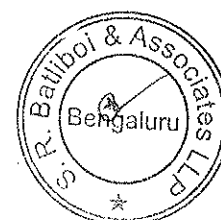
Key audit matters	How our audit addressed the key audit matter
<b>Adoption of Ind AS 115 - Revenue from Contract with Customers and Amendments to Ind AS 40 Investment Property</b> (as described in note 39 of the Consolidated Ind AS financial statements)	
<p>The Group has adopted Ind AS 115 - Revenue from Contracts with Customers and Amendments to Ind AS 40 - Investment Property consequent to issuance of Ind AS 115, mandatory for reporting periods beginning on or after April 1, 2018.</p> <p>The Group 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.603.20 crores (net of tax).</p> <p>The application of Ind AS 115 and Amendments to Ind AS 40 has impacted the Group'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 Group 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 Group is measured at the fair value of the estimated construction service rendered by the Group to the land owner under JDA. Such revenue is recognised over</p>	<p>As part of our audit procedures, our procedures included the following:</p> <ul style="list-style-type: none"><li>- 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.</li><li>- We obtained and tested the computation of the adjustment to retained earnings as at the Ind AS 115 and Amendments to Ind AS 40 transition date, on sample basis.</li><li>- 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.</li><li>- 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.</li><li>- We obtained and tested the computation of the fair value of the construction service under JDA, on sample basis.</li><li>- We tested the computation for recognition of revenue over a period of time for revenue contracts forming part of JDA and the Group's assessment of stage of completion of projects and project cost estimates on test check basis.</li><li>- We assessed the disclosures made by Group in compliance with the requirements of Ind AS 115 and Amendments to Ind AS 40.</li></ul>



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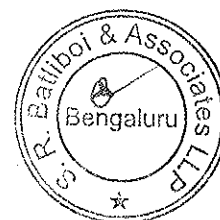
Key audit matters	How our audit addressed the key audit matter
<p>a period of time in accordance with the requirements of Ind AS 115.</p> <p>For contracts involving sale of real estate unit, the Group receives the consideration in accordance with the terms of the contract in proportion of the percentage of completion of such real estate project and represents payments made by customers to secure performance obligation of the Group 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, 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 JDA, significant estimate is made by the Group in determining the fair value of the underlying revenue.</p> <p>As the revenue recognition involves significant estimates and judgement, we regard this as a key audit matter.</p>	
<b><u>Recording of related party transactions and disclosures</u></b> (as described in note 40 of the Consolidated Ind AS financial statements)	
<p>The Group 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 associates &amp; joint ventures and other related parties 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 Consolidated 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"> <li>- Obtained and read the Group's policies, processes and procedures in respect of identifying related parties, obtaining approval, recording and disclosure of related party transactions on sample basis.</li> <li>- Read minutes of shareholder meetings, board meetings and minutes of meetings of those charged with governance in connection with Group's assessment of related party transactions being in the ordinary course of business at arm's length on sample basis.</li> <li>- Tested, on a sample basis, related party transactions with the underlying contracts, confirmation letters and other supporting documents.</li> <li>- Agreed the related party information disclosed in the Consolidated Ind AS financial statements with the underlying supporting documents.</li> </ul>
<b><u>Assessing the carrying value of inventory and advances/deposits paid towards land procurement</u></b> (as described in notes 7(a), 10(a) and 14 of the Consolidated Ind AS financial statements)	
<p>As at March 31, 2019, the carrying value of the inventory of real estate projects is</p>	<p>Our procedures in assessing the carrying value of the inventories/land advances/deposits included the following:</p>



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Key audit matters	How our audit addressed the key audit matter
<p>Rs.6,766.10 crores and land advances/deposits of Rs.378.61 crores.</p> <p>The inventories are carried at 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 Group 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 Group, 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 Group'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>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 Consolidated Ind AS financial statements as a whole and the involvement of estimates and judgement in the assessment.</p>	<ul style="list-style-type: none"> <li>- We read and evaluated the accounting policies with respect to inventories/land advances/deposits</li> <li>- We assessed the Group's methodology applied in assessing the carrying value under the relevant accounting standards.</li> <li>- We obtained and tested the computation involved in assessment of carrying value including the net realisable value/ net recoverable value on test check basis.</li> <li>- We compared the realisable/recoverable amount of the asset to the carrying value in books on test check basis.</li> <li>- We made inquiries with the Holding Company's management to understand key assumptions used in determination of the net realisable value/ net recoverable value on test check basis.</li> </ul>
<p><b>Compliance with repayment terms of borrowings</b> (as described in note 21 of the Consolidated Ind AS financial statements)</p>	
<p>The Group 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</p>	<p>Our procedures in relation to compliance with repayment terms of borrowings include the following:</p> <ul style="list-style-type: none"> <li>- Obtained an understanding of the process and testing the internal controls over timely repayment of borrowings on sample basis.</li> <li>- 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.</li> </ul>



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Key audit matters	How our audit addressed the key audit matter
disclosures thereon in the Consolidated Ind AS financial statements. Further, compliance with repayment terms is part of Group's assessment of evaluating its gearing and liquidity profile.	<ul style="list-style-type: none"><li>- Assessed the maturity profile of the borrowings to evaluate the classification and disclosure of borrowings on test check basis.</li><li>- Compared, on a sample basis, the balances confirmed by the lenders with the balances as per the books of accounts.</li></ul>

## Other Information

The Holding 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 Consolidated 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 Consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

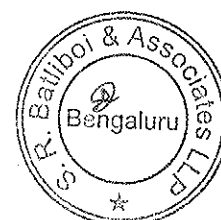
In connection with our audit of the Consolidated Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Ind AS financial statements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

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group 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. The respective Board of Directors of the companies and management of associate and joint venture partnership firms included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies and management of associate and joint venture partnership firms included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the financial reporting process of the Group.



## **Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements**

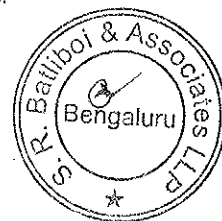
Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but 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 consolidated 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 consolidated 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 Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 ability of the Group 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 consolidated Ind AS 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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.



# **S.R. BATLIBOI & ASSOCIATES LLP**

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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

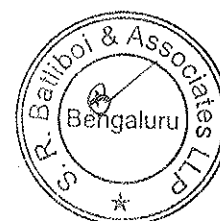
## **Other Matter**

We did not audit the financial statements and other financial information, in respect of 24 subsidiaries, whose Ind AS financial statements include total assets of Rs.1,023.95 crores as at March 31, 2019, and total revenues of Rs.47.17 crores and net cash inflows of Rs.6.76 crores for the year ended on that date. These Ind AS financial statements and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net loss of Rs.1.72 crores for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of 4 associates and 1 joint venture, whose financial statements and other financial information have been audited by other auditors and whose reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint venture and associates, is based solely on the reports of such other auditors. Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

## **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance sheet, the consolidated Statement of Profit and Loss including the Statement of other comprehensive income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated 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;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint venture company incorporated in India, none of the directors of the Group's companies incorporated in India 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 and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its





# **S.R. BATLIBOI & ASSOCIATES LLP**

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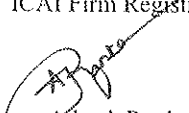
subsidiary companies, associate companies and joint venture company incorporated in India, refer to our separate report in Annexure to this report;

- (g) In our opinion and based on the consideration of reports of other auditors of the subsidiaries companies and associate companies incorporated in India, the managerial remuneration for the year ended March 31, 2019, has been paid / provided by the Holding Company, its subsidiaries companies, associate companies and joint venture company incorporated in India to their 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint venture, as noted in the 'Other matter' paragraph:
- The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated Ind AS financial statements – Refer note 37(c) to the consolidated Ind AS financial statements;
  - Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies, associate companies and joint venture companies incorporated in 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



# **S.R. BATLIBOI & ASSOCIATES LLP**

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## **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED 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")**

In conjunction with our audit of the consolidated financial statements of Puravankara Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Puravankara Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, associate companies and joint venture companies which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

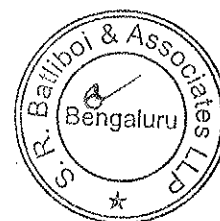
The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and joint venture companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 respective 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 Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 consolidated 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 system over financial reporting with reference to these consolidated 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 consolidated 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.



# **S.R. BATLIBOI & ASSOCIATES LLP**

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

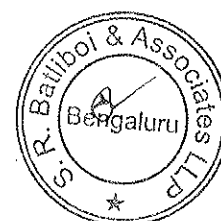
A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated 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 Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated 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 Holding Company, its subsidiary companies, associate companies and joint venture companies which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding 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.



# **S.R. BATLIBOI & ASSOCIATES LLP**

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## **Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to these 21 subsidiary companies and 3 associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary companies and associate companies incorporated in India.

For S.R. Batliboi & Associates LLP

Chartered Accountants

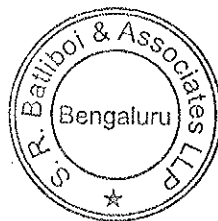
ICAI Firm Registration Number: 101049W/E300004

  
per Adarsh Ranka  
Partner

Membership Number: 209567

Place: Bengaluru

Date: May 18, 2019



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

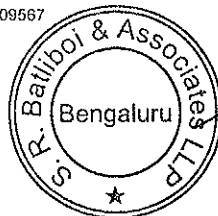
	Note	March 31, 2019	March 31, 2018
<b>Assets</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3	63.26	57.66
(b) Capital work-in-progress	4A	35.13	36.08
(c) Investment properties	4	61.61	63.75
(d) Intangible assets	5	3.51	3.16
(e) Intangible assets under development	5A	7.27	-
(f) Financial assets			
(i) Investments			
Investments in associates and joint ventures	6a	60.13	61.45
Other investments	6b	70.07	69.99
(ii) Loans	7a	304.41	260.89
(iii) Other financial assets	8a	26.40	36.72
(g) Deferred tax assets (net)	12	301.75	53.33
(h) Assets for current tax (net)	9	62.67	41.21
(i) Other non-current assets	10a	166.18	154.34
<b>Total non-current assets</b>		<b>1,162.39</b>	<b>838.58</b>
<b>Current assets</b>			
(a) Inventories	14	6,766.10	4,687.06
(b) Financial assets			
(i) Trade receivables	15	250.64	274.95
(ii) Cash and cash equivalents	16	149.12	132.31
(iii) Bank balances other than (ii) above	17	0.32	0.16
(iv) Loans	7b	74.73	65.21
(v) Other financial assets	8b	25.43	508.91
(c) Other current assets	10b	304.83	284.14
<b>Total current assets</b>		<b>7,571.17</b>	<b>5,952.74</b>
<b>Total assets</b>		<b>8,733.56</b>	<b>6,791.32</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
(a) Equity share capital	18	118.58	118.58
(b) Other equity	19	1,738.17	2,274.59
<b>Total equity</b>		<b>1,856.75</b>	<b>2,393.17</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21a	435.39	137.99
(ii) Other financial liabilities	22a	13.27	9.42
(b) Provisions	23a	10.47	11.21
(c) Deferred tax liabilities (net)	13	8.18	8.36
<b>Total non-current liabilities</b>		<b>467.31</b>	<b>166.98</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21b	693.22	677.84
(ii) Trade payables	24		
(A) Total outstanding dues of micro enterprises and small enterprises		0.48	4.93
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		467.12	435.97
(iii) Other financial liabilities	22b	1,804.28	1,584.65
(b) Other current liabilities	25	3,434.79	1,510.26
(c) Provisions	23b	9.61	15.44
(d) Current tax liabilities (net)	26	-	2.08
<b>Total current liabilities</b>		<b>6,409.50</b>	<b>4,231.17</b>
<b>Total equity and liabilities</b>		<b>8,733.56</b>	<b>6,791.32</b>
<b>Summary of significant accounting policies</b>	2.2		

The accompanying notes referred to above form an integral part of the consolidated 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  
Consolidated 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
<b>Income</b>			
Revenue from operations	27	2,050.49	1,414.90
Other income	28	76.23	90.04
<b>Total</b>		<b>2,126.72</b>	<b>1,504.94</b>
<b>Expenses</b>			
Sub-contractor cost		407.82	548.99
Cost of raw materials, components and stores consumed	29	109.04	64.86
Purchase of land stock		455.14	394.79
(Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress	30	245.03	(214.90)
Employee benefits expense	31	123.93	103.90
Finance costs	32	328.04	251.34
Depreciation and amortization expense	33	15.06	14.96
Other expenses	34	269.17	209.77
<b>Total expenses</b>		<b>1,953.23</b>	<b>1,373.71</b>
<b>Profit before share of profit/ (loss) from investment in associates and joint ventures</b>		<b>173.49</b>	<b>131.23</b>
Share of loss from investment in associates and joint ventures (after tax)		(1.72)	(2.41)
<b>Profit before tax</b>		<b>171.77</b>	<b>128.82</b>
<b>Tax expense</b>			
Current tax	11	4.48	40.90
Deferred tax		52.94	(3.48)
<b>Total tax expense</b>		<b>57.42</b>	<b>37.42</b>
<b>Profit for the year</b>		<b>114.35</b>	<b>91.40</b>
<b>Other Comprehensive Income ('OCI')</b>			
Items that will not be reclassified to profit or loss			
(i) Re-measurement of gains/(losses) on defined benefit plans		(0.92)	(0.37)
(ii) Income tax relating to above		0.32	0.13
<b>Total other comprehensive income</b>		<b>(0.60)</b>	<b>(0.24)</b>
<b>Total comprehensive income for the year (comprising profit and OCI)</b>		<b>113.75</b>	<b>91.16</b>
<b>Profit for the year</b>			
Attributable to:			
Equity holders of the parent		114.35	91.40
Non-controlling interests		-	-
<b>Other comprehensive income</b>			
Attributable to:			
Equity holders of the parent		(0.60)	(0.24)
Non-controlling interests		-	-
<b>Total comprehensive income for the year</b>			
Attributable to:			
Equity holders of the parent		113.75	91.16
Non-controlling interests		-	-
<b>Earnings Per equity Share ('EPS')</b>			
(Nominal value per equity share Rs. 5 (March 31, 2018: Rs.5)			
Basic (Rs.)		4.82	3.85
Diluted (Rs.)		4.82	3.85
<b>Weighted average number of equity shares used in computation of EPS</b>			
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 consolidated 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  
Consolidated Statement of cash flow for the year ended March 31, 2019  
(All amounts in Indian Rs. Crore, unless otherwise stated)

	March 31, 2019	March 31, 2018
<b>A. Cash flow from operating activities</b>		
Profit before tax	171.77	128.82
Adjustments to reconcile profit after tax to net cash flows		
Share of loss from investment in associates and joint ventures	1.72	2.41
Depreciation and amortization expense	15.06	14.96
Liabilities no longer required written-back	(26.69)	(3.88)
Profit on sale of investment property	(26.81)	(26.81)
Profit on sale of property, plant and equipment	(0.31)	(0.59)
Gain arising from financial instruments designated as FVTPL	(4.74)	(8.13)
Finance costs	328.04	251.34
Interest income	(29.83)	(64.08)
<b>Operating profit before working capital changes</b>	<b>428.21</b>	<b>294.04</b>
Working capital adjustments:		
(Increase)/decrease in trade receivables	24.31	112.15
(Increase)/decrease in inventories*	258.78	(224.83)
Decrease/(increase) in loans	(43.83)	(69.05)
Decrease/(increase) in other financial assets*	45.57	(221.29)
Decrease/(increase) in other assets*	(2.73)	(78.42)
Increase/(decrease) in trade payables	53.39	142.63
Increase/(decrease) in other financial liabilities	24.37	5.35
Increase/(decrease) in other liabilities*	(883.46)	76.32
Increase/(Decrease) in provisions	(7.49)	(20.62)
Cash received from/ (used in) operations	(102.88)	16.28
Income tax paid (net)*	(28.02)	(45.13)
<b>Net cash flows from/ (used in) operating activities</b>	<b>(130.90)</b>	<b>(28.85)</b>

\* Also refer note 39.5 with regards to transition to Ind AS 115

**B. Cash flows from investing activities**

Purchase of property, plant and equipment (including capital work in progress and capital advances)	(19.79)	(2.01)
Purchase of intangible assets	(1.65)	(0.52)
Purchase of Intangible assets under development	(7.27)	-
Proceeds from sale of property, plant and equipment	2.33	-
Proceeds from sale of investment properties	35.60	-
Proceeds from sale of shares of subsidiaries	0.01	-
Investments in debentures of joint venture	-	(0.87)
Advance towards investments	-	(15.00)
Loans given to associates and joint ventures	(12.54)	(25.01)
Loans repaid by associates and joint ventures	2.93	32.03
Investment in bank deposits (original maturity of more than three months)	(46.54)	-
Redemption of bank deposits (original maturity of more than three months)	41.86	3.05
Interest received	9.73	64.08
<b>Net cash flows from / (used in) investing activities</b>	<b>4.67</b>	<b>55.75</b>

**C. Cash flows from financing activities**  
(refer note 16)

Proceeds from secured term loans	1,458.29	874.53
Repayment of secured term loans	(1,022.50)	(550.23)
Proceeds from unsecured loan	99.45	3.22
Dividends paid (including taxes)	(46.91)	(64.23)
Interest paid	(328.04)	(251.34)
<b>Net cash (used in)/from financing activities</b>	<b>160.29</b>	<b>11.95</b>

Net (decrease)/increase in cash and cash equivalents (A + B + C)	34.06	38.85
Cash and cash equivalents at the beginning of the year	(40.66)	(79.51)
Cash and cash equivalents at the end of the year (as per note 16 to the financial statements)	(6.60)	(40.66)

Components of cash and cash equivalents	Notes	March 31, 2019	March 31, 2018
Cash and cash equivalents	16	149.12	132.31
Less: Cash credit facilities from banks (note 21)	21	(155.72)	(172.97)
<b>Cash and cash equivalents reported in cash flow statement</b>		<b>(6.60)</b>	<b>(40.66)</b>

**Summary of significant accounting policies** 2.2

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

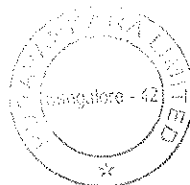
Ashish R Puravankara  
Managing Director  
DIN 00504524

Kuldeep Chawla  
Chief Financial Officer

Bengaluru  
May 18, 2019

Nani R Choksey  
Joint Managing Director  
DIN 00504555

Bindu Doraiswamy  
Company Secretary



Puravankara Limited  
Consolidated 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 April 1, 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 18

B. Other equity

Particulars	Reserves and surplus			Total
	Securities premium	General reserve	Retained Earnings	
Balance as at April 1, 2017	963.61	80.28	1,203.77	2,247.66
Profit for the year	-	-	91.40	91.40
Other Comprehensive Income	-	-	(0.24)	(0.24)
Total comprehensive income for the year	963.61	80.28	1,294.93	2,338.82
Dividends (including tax on dividend)	-	-	(64.23)	(64.23)
Balance as at March 31, 2018	<u>963.61</u>	<u>80.28</u>	<u>1,230.70</u>	<u>2,274.59</u>
Profit for the year	-	-	114.35	114.35
Other Comprehensive Income	-	-	(0.60)	(0.60)
Total comprehensive income for the year	963.61	80.28	1,344.45	2,388.34
Ind-AS 115 and Amendments to Ind AS 40 transition impact - refer note 29	-	-	(603.20)	(603.20)
Dividends (including tax on dividend)	-	-	(46.97)	(46.97)
Balance as at March 31, 2019	<u>963.61</u>	<u>80.28</u>	<u>694.28</u>	<u>1,738.17</u>

Notes:

1. Also refer note 19

2. As required under Ind AS compliant Schedule III, the Group has recognised remeasurment gains/ (losses) on defined benefit plans (net of tax) of Rs.(0.60) crores [March 31, 2018: Rs.(0.24) 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 consolidated 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





1. Corporate information

The consolidated Ind AS financial statements comprise financial statements of Puravankara Limited ('PL' or the 'Company' or the 'Holding Company') and its subsidiaries, joint ventures and associates (collectively, the Group) for the year ended March 31, 2019. The Holding Company is a public company domiciled in India and is incorporated on June 3, 1986 under the provisions of the Companies Act applicable in 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 registered office is located at 130/1, Ulsoor Road, Bengaluru 560042, India.

The Group is engaged in the business of real estate development.

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

2. Significant accounting policies

2.1.1 Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Group 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) as amended, as applicable to the consolidated Ind AS financial statements. The consolidated financial statements of the Group are prepared and presented in accordance with Ind AS.

The consolidated Ind AS 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.

2.1.2 Basis of consolidation

i. Subsidiaries

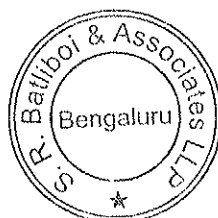
Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated from the date that control ceases.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary. The manner of accounting for any related goodwill is explained below.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- The financial statements of all subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on March 31st and are prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.
- Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI. After initial recognition, goodwill is measured at cost less any accumulated impairment losses and tested for impairment annually.

When the Group ceases to consolidate for an investment because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for and reclassified to profit or loss.

Also refer note 43, for the list of entities consolidated in the consolidated Ind AS financial statements.



## 2.2 Summary of significant accounting policies

### (a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- ▶ Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- ▶ Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- ▶ Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- ▶ Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

### (b) Joint ventures and associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

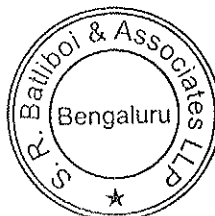
A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its joint ventures and associates are accounted for using the equity method. Under the equity method, the investment in a joint venture or associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill, if any, relating to the joint venture or associate is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture or associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture or associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture or associate are eliminated to the extent of the interest in the joint venture or associate.

If an entity's share of losses of a joint venture or associate equals or exceeds its interest in the joint venture or associate (which includes any long term interest that, in substance, form part of the Group's net investment in the joint venture or associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture or associate. If the joint venture or associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture or associate is shown on the face of the statement of profit and loss.



The financial statements of joint venture or associate used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on March 31st and are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture or associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture or associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture or associate and its carrying value, and then recognises the loss as 'Share of profit in joint venture or associate' in the statement of profit or loss.

Upon loss of significant influence over the joint venture or associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture or associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(c) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgements, 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.

(d) 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 Group 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.603.20 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 39.

(e) Current versus non-current classification

The Group 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 realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised 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 Group 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.

(f) 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 Group 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.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

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

(g) 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.

(h) Intangible assets

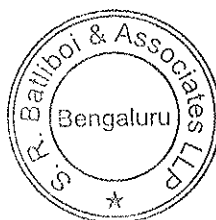
Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets comprising of computer software are amortized on a written down value basis 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.

Costs of assets not ready for use at the balance sheet date are disclosed under intangible assets under development.



(i) 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 Group 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 Group 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 Group transfers control of the same to the buyer. Further the Group 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.

(j) Impairment

A. Financial assets

The Group 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 Group recognises 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 Group 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 Group 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.

(k) 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.

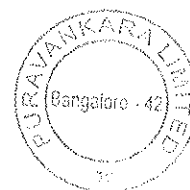
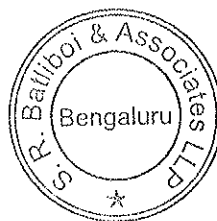
Where the Group is lessee

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 Group 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 Group'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 Group 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 Group is the lessor

Leases in which the Group 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.

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.

**(l) 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.

**(m) 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.

**(n) Land**

Advances paid by the Group to the seller/ intermediary toward outright purchase of land is recognised 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 Group, 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 Group under JDA is recognised 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 Group under JDA is recognized as deposits under loans.

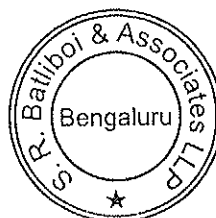
**(o) Revenue recognition**

**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 Group 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 Group presents revenue from contracts with customers net of indirect taxes in its statement of profit and loss.

The Group 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 Group considers the effects of variable consideration, the existence of significant financing components, non-cash 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 Group 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 Group 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 Group 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 Group 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 Group undertakes to develop properties on such land and in lieu of land owner providing land, the Group 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 Group 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 Group'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).

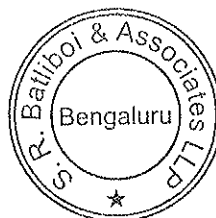
Contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability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

#### (iii) Cost to obtain a contract

The Group recognises as an asset the incremental costs of obtaining a contract with a customer if the Group expects to recover those costs. The Group 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 Group's policy for recognition of revenue from operating leases is described in note 2.2(k).



**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 Group's right to receive dividend is established, which is generally when shareholders approve the dividend.

**(p) Foreign currency translation**

*Functional and presentation currency*

The Group's consolidated Ind AS financial statements are presented in Indian rupee (INR), which is also the Holding Company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional 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 Group 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.

**(q) Retirement and other employee benefits**

Retirement benefits in the form of state governed Employee Provident Fund, Employee State Insurance and Employee Pension Fund Schemes are defined contribution schemes (collectively the 'Schemes'). The Group has no obligation, other than the contribution payable to the Schemes. The Group 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 Group 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 Group recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

The Group 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 Group 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.

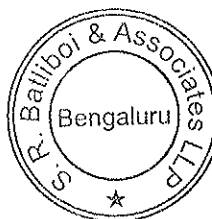
**(r) Income taxes**

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 recognised 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.

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

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.

(s) Provisions and contingent liabilities

A provision is recognized when the Group 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 Group 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 Group 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 Group 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 Group recognises any impairment loss that has occurred on assets dedicated to that contract.

(t) Financial Instruments

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) 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. **Equity investment in subsidiaries, joint ventures and associates**  
Investment in subsidiaries and associate are carried at cost. Impairment recognized, if any, is reduced from the carrying value.
- v. **De-recognition of financial asset**  
The Group 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.
- 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 Group'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 derecognised 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 recognised in the statement of profit or loss.
- x. **Fair value of financial instruments**  
In determining the fair value of its financial instruments, the Group 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 Group 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.

**(u) Cash dividend to equity holders of the Holding Company**

The Holding Company recognizes a liability to make cash distributions to equity holders of the Holding Company when the distribution is authorized and the distribution is no longer at the discretion of the Holding 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 Holding Company's Board of Directors.

**(v) Earnings Per Share**

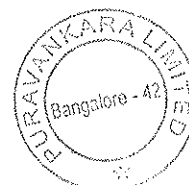
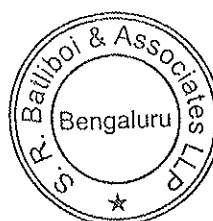
Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are 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.

**(w) Cash and cash equivalents**

The Group 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.

For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank borrowings repayable on demand as they are considered an integral part of the Group's cash management.



## 2.3 Significant accounting judgements, 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 Group'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 Group 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 Group. Such changes are reflected in the assumptions when they occur.

### *Revenue from contracts with customers*

The Group 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 Group 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 Group 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 Group's performance as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group'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 Group considers the same as transferred at a point in time.

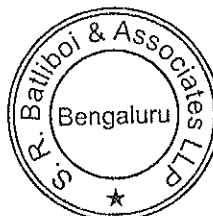
For contracts where control is transferred at a point in time the Group considers the following indicators of the transfer of control of the asset to the customer:

- When the Group obtains a present right to payment for the asset.
- When the Group transfers legal title of the asset to the customer.
- When the Group transfers physical possession of the asset to the customer.
- When the Group 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*

For projects executed through joint development arrangements, the Group has evaluated that land owners are not engaged in the same line of business as the Group 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 landowner 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 Group 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 Group 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 Group 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 Group 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 Group 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 Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings 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 Group 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 Group, based on comparable transactions identified by the Group 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 Group 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 Group.

*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*

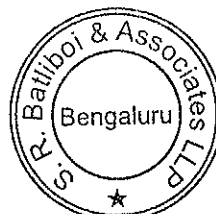
Financial instrument are subsequently measured at amortized cost using the effective interest ('EIR') method. The computation of amortized cost is sensitive to the inputs to EIR including effective rate of interest, contractual cash flows and the expected life of the financial instrument. Changes in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

*Basis of Consolidation*

For the purpose of consolidation, judgements are involved in determining whether the Group has control over an investee entity by assessing the Group's exposure/rights to variable returns from its involvement with the investee and its ability to affect those returns through its power over the investee entity. The Group considers all facts and circumstances when assessing whether it controls an investee entity and reassess whether it controls an investee entity if facts and circumstances indicate that there are changes to one or more elements of control. In assessing whether the Group has joint control over an investee the Group assesses whether decisions about the relevant activities require the unanimous consent of the parties sharing control. Further, in assessing whether Group has significant influence over an investee, the Group assesses whether it has the power to participate in the financial and operating policy decisions of the investee, but is not in control or joint control of those policies. Changes in judgements about these inputs could affect the reported value in the financial statements.

*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.



**Puravankara Limited**

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

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

*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.



3 Property, plant and equipment

	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
<b>Gross carrying amount</b>										
At April 1, 2017	7.04	19.41	5.17	2.88	1.60	4.10	7.42	32.06	14.75	94.43
Additions	-	0.13	0.13	0.36	0.26	0.57	0.50	0.06	-	2.01
Disposals	-	(0.84)	(0.01)	-	-	(0.12)	(0.01)	(2.75)	-	(3.73)
At March 31, 2018	7.04	18.70	5.29	3.24	1.86	4.55	7.91	29.37	14.75	92.71
Additions	-	14.98	0.26	0.61	0.02	0.24	3.40	0.14	0.14	19.79
Disposals	-	(5.24)	(0.64)	(0.85)	(0.08)	(0.01)	(1.47)	(0.55)	-	(8.84)
At March 31, 2019	7.04	28.44	4.91	3.00	1.80	4.78	9.84	28.96	14.99	103.66
<b>Accumulated depreciation</b>										
At April 1, 2017	0.41	3.97	2.58	1.39	1.03	1.05	1.22	8.61	3.34	23.60
Charge for the year	0.47	2.33	0.90	0.37	0.54	0.51	1.36	4.87	1.84	13.18
Adjustments for disposals	-	(0.34)	-	-	-	(0.06)	-	(1.33)	-	(1.73)
At March 31, 2018	0.88	5.96	3.48	1.76	1.57	1.50	2.58	12.15	5.18	35.05
Charge for the year	0.27	2.15	0.70	0.38	0.30	0.43	1.71	3.90	1.71	11.55
Adjustments for disposals	-	(3.02)	(0.43)	(0.79)	(0.07)	(0.01)	(1.39)	(0.49)	-	(6.20)
At March 31, 2019	1.15	5.09	3.75	1.35	1.80	1.92	2.90	15.56	6.89	40.40
<b>Net block</b>										
At March 31, 2018	6.16	12.74	1.81	1.48	0.29	3.05	5.33	17.22	9.57	57.66
At March 31, 2019	5.89	23.35	1.16	1.65	-	2.86	6.94	13.40	8.00	63.26

Notes:

a. Capitalized borrowing cost

There is no borrowing costs capitalized during the year ended March 31, 2019 (March 31, 2018: Nil)

b. Property, plant and equipment pledged as security

Details of properties pledged are as per note 21

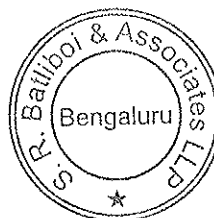
4 Investment properties

	Land	Building	Total
<b>Gross carrying amount</b>			
At April 1, 2017	9.38	31.42	40.80
Additions	21.00	28.12	49.12
Disposals	(7.15)	(18.95)	(26.10)
At March 31, 2018	23.23	40.59	63.82
Adjustments pursuant to Amendments to Ind AS 40 - refer note 39	7.15	18.95	26.10
Additions	-	-	-
Disposals	(7.15)	(18.95)	(26.10)
At March 31, 2019	23.23	40.59	63.82
<b>Accumulated depreciation</b>			
At April 1, 2017	-	1.47	1.47
Charge for the year	-	0.49	0.49
Disposals	-	(1.89)	(1.89)
At March 31, 2018	-	0.07	0.07
Adjustments pursuant to Amendments to Ind AS 40 - refer note 39	-	1.89	1.89
Charge for the year	-	2.14	2.14
Disposals	-	(1.89)	(1.89)
At March 31, 2019	-	2.21	2.21
<b>Net block</b>			
At March 31, 2018	23.23	40.52	63.75
At March 31, 2019	23.23	38.38	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
Less : Depreciation	(2.14)	(0.48)
Profit arising from investment properties before indirect expenses	2.46	1.96



**c. Fair valuation information**

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

The Group 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 39	28.10	-
Purchases/additions	-	49.12
Disposals	(26.10)	(26.10)
Fair value changes	4.39	3.41
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 unobservable inputs	Range (weighted average)	
		March 31, 2019	March 31, 2018
Discounted cash flow (DCF) method (refer below)	Estimated rental value per sq.ft. per n	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 re-letting, 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.

**d. Capitalized borrowing cost**

There are no borrowing costs capitalized during the year ended March 31, 2019 (March 31, 2018: Nil)

**e. Investment properties pledged as security**

Details of investment properties pledged are as per note no.21.

**4A Capital work in progress**

	March 31, 2019	March 31, 2018
Opening balance	36.08	0.05
-Additions (subsequent expenditure)	0.17	2.83
-Capitalised during the year	(1.12)	(0.05)
-Transferred from inventory during the year	-	33.25
Closing balance	<u>35.13</u>	<u>36.08</u>

**Note:**

Capital work in progress pledged as security

Details of capital work in progress pledged are as per note 21

**5 Intangible assets**

	Computer software	Total
Gross carrying amount		
At April 1, 2017	6.41	6.41
Additions	0.52	0.52
Disposals	-	-
At March 31, 2018	<u>6.93</u>	<u>6.93</u>
Additions	1.65	1.65
Disposals	-	-
At March 31, 2019	<u>8.58</u>	<u>8.58</u>
Accumulated amortization		
At April 1, 2017	2.48	2.48
Charge for the year	1.29	1.29
Disposals	-	-
At March 31, 2018	<u>3.77</u>	<u>3.77</u>
Charge for the year	1.30	1.30
Disposals	-	-
At March 31, 2019	<u>5.07</u>	<u>5.07</u>
Net book		
At March 31, 2018	<u>3.16</u>	<u>3.16</u>
At March 31, 2019	<u>3.51</u>	<u>3.51</u>

**5A Intangible assets under development**

	March 31, 2019	March 31, 2018
Opening balance	-	-
-Additions (subsequent expenditure)	7.27	-
-Capitalised during the year	-	-
Closing balance	<u>7.27</u>	<u>-</u>



Puravankara Limited

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

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

6 Non-current investments

a Investment in associates and joint ventures accounted for using the equity method (unquoted)

Investment in equity instruments of associates (fully paid-up), net of accumulated profits/ losses

Keppel Puravankara Development Private Limited

0.441 crore equity shares (March 31, 2018 - 0.441 crore) of Rs. 10 each

Propmart Technologies Limited

0.234 crore equity shares (March 31, 2018 - 0.234 crore) of Rs. 10 each

Sobha Puravankara Aviation Private Limited

0.478 crore equity shares (March 31, 2018 - 0.478 crore) of Rs. 10 each

Investment in equity instruments of joint venture (fully paid-up)

Purva Good Earth Properties Private Limited

0.001 crore equity shares (March 31, 2018 - 0.001 crore) of Rs. 10 each

Investment in partnership firms (associate)

Whitefield Ventures

Investment in limited liability partnerships (joint venture)

Pune Projects LLP

March 31, 2019 March 31, 2018

52.75 54.07

- -

- -

- -

7.38 7.38

- -

60.13 61.45

b Other investment (unquoted)

Investment carried at fair value through profit or loss (FVTPL)

Debentures

Purva Good Earth Properties Private Limited

70.07 69.99

0.474 crores optionally convertible debentures of Rs. 100 each (March 31, 2018 - 0.474 crore)

70.07 69.99

Total Investments

130.20 131.44

Notes:

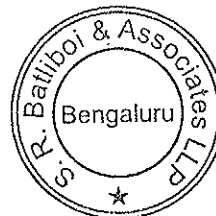
a) Aggregate amount of quoted investments actively traded and market value thereof

130.20 131.44

b) Aggregate amount of unquoted investments

c) Aggregate amount of impairment in value of investments

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 Consolidated 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
<b>7 Loans</b>		
<b>a Non current</b>		
Unsecured, considered good		
Security deposits	26.71	24.74
Loans to associates (refer note 40)	18.77	19.08
Deposits under joint development arrangements*	258.93	217.07
	<u>304.41</u>	<u>260.89</u>

\* Advances paid by the Group 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.159.31 crores (March 31, 2018: Rs. 142.00 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>b Current</b>		
(Unsecured, considered good)		
Loans to joint ventures (refer note 40)	70.39	65.02
Loans to associates (refer note 40)	4.34	0.19
	<u>74.73</u>	<u>65.21</u>
	<u>379.14</u>	<u>326.10</u>

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

	March 31, 2019	March 31, 2018
Loans to joint ventures and associates include		
Due from Purva Good Earth Properties Private Limited in which the Company's director is a director	4.92	0.18
Due from Propmart Technologies Limited in which the Company's director is a director	19.84	19.27

<b>8 Other financial assets</b>	March 31, 2019	March 31, 2018
<b>a Non current</b>		
Non-current bank balances (refer note 17)	26.40	21.72
Advance towards investment in LLP	-	15.00
	<u>26.40</u>	<u>36.72</u>
<b>b Current</b>		
Unbilled revenue (refer note 39)	12.74	450.77
Receivable towards sale of investment property (refer note 40)	-	35.60
Recoverables under joint development arrangement	9.85	20.11
Other receivables	2.84	2.43
	<u>25.43</u>	<u>508.91</u>
	<u>51.83</u>	<u>545.63</u>

Other financial assets include receivable due from directors or other officers, etc.

	March 31, 2019	March 31, 2018
Dues from Kenstream Ventures LLP in which Company's director is a Partner	-	35.60
Dues from Pune Projects LLP in which Company is a Partner	0.28	1.98

<b>9 Assets for current tax (net)</b>	March 31, 2019	March 31, 2018
Advance income tax (net of provision for taxation Rs.264.71 crores (March 31, 2018 Rs.260.23 crores)	62.67	41.21
	<u>62.67</u>	<u>41.21</u>

<b>10 Other assets</b>	March 31, 2019	March 31, 2018
<b>a Non-current</b>		
Capital advance	3.55	-
Deposits with government authorities	9.68	9.59
Advances for land contracts*	119.68	128.70
Prepaid expenses	16.90	1.57
Duties and taxes recoverable	12.26	10.23
Other advances	4.11	4.25
	<u>166.18</u>	<u>154.34</u>

\* Advances for land though unsecured, are considered good as the advances have been given based on arrangements/ memorandum of understanding executed by the Group and the Group/ 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. 103.00 crores (March 31, 2018: Rs. 102.58 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.

<b>b Current</b>		
Advances to suppliers	221.64	215.97
Prepaid expenses	20.81	14.29
Duties and taxes recoverable	30.55	38.17
Other receivables	31.83	15.71
	<u>304.83</u>	<u>284.14</u>
	<u>471.01</u>	<u>438.48</u>



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:

	March 31, 2019	March 31, 2018
Current tax:		
Current income tax charge	4.48	40.90
Deferred tax:		
Relating to origination/ reversal of temporary differences		
> Decrease/(increase) in deferred tax assets	55.26	4.00
> (Decrease)/increase in deferred tax liabilities	2.28	1.59
Others	(4.59)	(9.08)
	<u>52.94</u>	<u>(3.48)</u>
Income tax expense reported in the statement of profit and loss	<u>57.42</u>	<u>37.42</u>

OCI section:

Deferred tax related to items recognised in OCI during the year:

Re-measurement gains/(losses) on defined benefit plans	0.32	0.13
Income tax charged to OCI	<u>0.32</u>	<u>0.13</u>

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Accounting profit before income tax	173.49	131.23
Effective tax rate in India	34.944%	34.608%

Tax on accounting profit at statutory income tax rate (34.944% / 34.608%)	60.62	45.42
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Effect of non-deductible expenses	1.41	1.11
Exempt incomes	(2.10)	(5.00)
Long term capital gains taxed at lower rate	(4.69)	(4.69)
Others	2.18	0.59
Income tax expense	<u>57.42</u>	<u>37.42</u>

Reconciliation of deferred tax assets, net

	March 31, 2019	March 31, 2018
Net deferred tax asset at the beginning of the year	44.97	50.69
Tax income/(expense) during the year recognized in profit and loss	(52.94)	3.48
Tax income/(expense) during the year recognized in OCI	(0.32)	(0.13)
Transition impact of adoption of Ind AS 115	306.45	-
Others	(4.59)	(9.06)
Net deferred tax asset at the end of the year	<u>293.57</u>	<u>44.97</u>

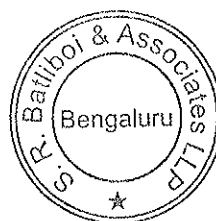
12 Deferred tax assets (net)

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 the current year but allowed for tax purposes in subsequent years	35.49	38.48
Carry forward of losses	115.34	-
MAT credit entitlement	18.94	20.61
Transition impact of adoption of Ind AS 115	113.81	-
Impact of elimination of unrealised profit on consolidation	12.69	8.79
Others	23.18	0.63
	<u>319.45</u>	<u>68.51</u>

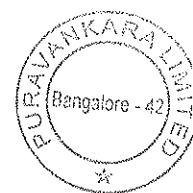
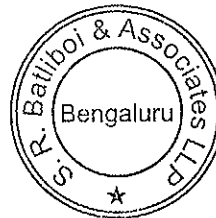
Less: Deferred tax liability arising on account of :

Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	(0.29)	(1.11)
Impact of financial assets and liabilities carried at amortized cost	(2.45)	(2.69)
Impact of carrying debentures at FVTPL	(4.13)	(3.19)
Others	(10.83)	(8.19)
	<u>(17.70)</u>	<u>(15.18)</u>
Deferred tax assets (net)	<u>301.75</u>	<u>53.33</u>



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

<b>13 Deferred tax liabilities (net)</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Deferred tax liabilities arising on account of :		
Share of profit from investment in associate	8.18	8.42
	<u>8.18</u>	<u>8.42</u>
Less: Deferred tax asset arising on account of :		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	-	(0.07)
	<u>-</u>	<u>(0.07)</u>
Deferred tax liabilities (net)	<u>8.18</u>	<u>8.35</u>
<b>14 Inventories</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Raw materials, components and stores	15.43	26.55
Land stock	1,064.02	848.74
Work-in-progress	4,123.71	2,938.42
Stock of flats	1,562.94	873.35
	<u>6,766.10</u>	<u>4,687.06</u>
Note: Details of assets pledged are as per note no. 21		
<b>15 Trade receivables</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Unsecured, considered good		
Dues from others	250.64	274.95
	<u>250.64</u>	<u>274.95</u>
Note: Details of assets pledged are as per note no. 21		
<b>16 Cash and cash equivalents</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Balances with banks		
In current accounts	140.36	132.07
Bank deposits with original maturity upto three months	8.52	-
Cash on hand	0.24	0.24
	<u>149.12</u>	<u>132.31</u>
For the purpose of the statement of cash flows, cash and cash equivalents comprise	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Balances with banks		
In current accounts	140.36	132.07
Bank deposits with original maturity upto three months	8.52	-
Cash on hand	0.24	0.24
Cash and cash equivalents reported in balance sheet	<u>149.12</u>	<u>132.31</u>
Less - cash credit facilities from banks (note 21)	<u>(155.72)</u>	<u>(172.97)</u>
Cash and cash equivalents reported in cash flow statement	<u>(6.60)</u>	<u>(40.66)</u>



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

**Note 1**

**Changes in liabilities arising from financing activities**

**(a) Borrowings (including current maturities):**

Balance as at April 1, 2017	2,087.14
Add: Cash inflows	877.75
Less: Cash outflows	(551.38)
Add: Interest accrued during the year	251.34
Less: Interest paid	(251.34)
Others	(13.30)
Balance as at March 31, 2018	2,380.21
Add: Cash inflows	1,557.74
Less: Cash outflows	(1,039.75)
Add: Interest accrued during the year	328.04
Less: Interest paid	(328.04)
Others	(2.94)
Balance as at March 31, 2019	2,895.26

**(b) Dividends payable (including taxes):**

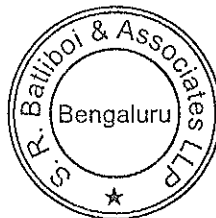
Balance as at April 1, 2017	0.12
Add: Dividend declared	64.23
Less: Dividend paid	(64.23)
Balance as at April 1, 2018	0.12
Add: Dividend declared	46.97
Less: Dividend paid	(46.91)
Balance as at March 31, 2019	0.18

**17 Bank balances other than cash and cash equivalents**

	March 31, 2019	March 31, 2018
<b>Current</b>		
Unpaid dividend account	0.18	0.16
Deposits with original maturity more than 3 months but less than 12 months	0.14	-
	<u>0.32</u>	<u>0.16</u>
<b>Non-current</b>		
Margin money deposit	26.40	21.72
	<u>26.40</u>	<u>21.72</u>
Less: Amount disclosed under non-current financial assets (refer note 8)	<u>(26.40)</u>	<u>(21.72)</u>
	<u>-</u>	<u>-</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 Group'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 Group had available Rs.732.59 crores (March 31, 2018 Rs. 194.46 crores) of undrawn committed borrowing facilities.



March 31, 2019      March 31, 2018

18 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

118.58      118.58

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	23.72	118.58	23.72	118.58

b. Terms/rights attached to equity shares

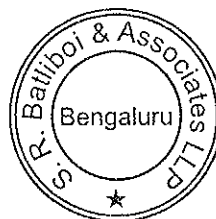
The Company has only one class of equity shares having a par value of Rs. 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders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



	March 31, 2019	March 31, 2018
<b>19 Other equity</b>		
Reserves and surplus		
Securities premium		
Balance at the beginning of the year	963.61	963.61
Adjustment made during the year	-	-
Balance at the end of the year	<u>963.61</u>	<u>963.61</u>
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	<u>80.28</u>	<u>80.28</u>
Retained earnings		
Balance at the beginning of the year	1,230.70	1,203.77
Dividend (including dividend distribution tax) - refer note 20	(46.97)	(64.23)
Total comprehensive income for the year	113.75	91.16
Add: Transition impact of adoption of Ind AS 115 and Amendments to Ind AS 40 (refer note 39)	(603.20)	-
Balance at the end of the year	<u>694.28</u>	<u>1,230.70</u>
<b>Total other equity</b>	<u><b>1,738.17</b></u>	<u><b>2,274.59</b></u>

**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.

**20 Distribution made and proposed**

	March 31, 2019	March 31, 2018
<b>Cash dividends on equity shares declared and paid</b>		
Final dividend	37.94	53.36
[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)]		
Dividend distribution tax (DDT) on final dividend	9.03	10.87
[including DDT on dividend paid by subsidiaries of Rs.1.23 crores (March 31, 2018: Rs.6.71 crores)]		
	<u><b>46.97</b></u>	<u><b>64.23</b></u>

Note: Details of proposed dividend on equity shares \*

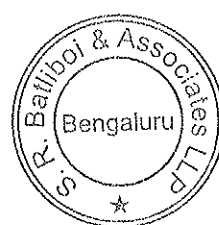
	March 31, 2019	March 31, 2018
Proposed dividend	23.72	-
[Rs.1 per share (March 31, 2018: Rs.Nil per share)]		
Dividend distribution tax on proposed dividend	4.87	-

\* 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.

**21 Borrowings**

	March 31, 2019	March 31, 2018
<b>a Non-current borrowings</b>		
Secured loans		
Term loans		
From banks	1,094.87	694.73
From others	1,107.17	1,006.25
	<u><b>2,202.04</b></u>	<u><b>1,700.98</b></u>
Amount disclosed under "Other current financial liabilities" (refer note 22b) *	<u><b>(1,766.65)</b></u>	<u><b>(1,562.99)</b></u>
	<u><b>435.39</b></u>	<u><b>137.99</b></u>
<b>b Current borrowings</b>		
Unsecured		
Loans repayable on demand		
Loans from related parties	5.28	2.06
Term loans		
Others	124.45	28.22
Secured		
Loans repayable on demand		
Cash credit and other loan from banks	155.72	172.97
Others		
Term loans		
From banks	50.00	182.65
From others	357.77	291.94
	<u><b>693.22</b></u>	<u><b>677.84</b></u>
	<u><b>1,128.61</b></u>	<u><b>815.83</b></u>

Amount of current borrowings repayable within twelve months is Rs.143.43 crores (March 31, 2018: Rs.183.11 crores)



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

Note 1: Assets pledged as security  
The carrying amounts of assets pledged as security for current and non-current borrowings are:

	March 31, 2019	March 31, 2018
Trade receivables	184.01	282.35
Inventories	4,584.06	3,020.01
Vehicles	3.86	0.82
Property, plant and equipment	14.22	-
Investment properties	-	31.53
Capital work in progress	33.42	0.00
Total assets pledged as securities	4,819.57	3,344.71

Note 2: Details of nature of security, guarantees given by directors and repayment terms of borrowings

Category of loan	March 31, 2019	March 31, 2018	Effective interest rate	Maturity	Repayment details	Nature of security
Non-current borrowings						
Term loans from banks	99.53	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	383.04	386.50	10-11%	2021-2024	12 to 60 instalments	Underlying project inventory and assignment of project receivables
Term loans from banks	9.60	-	8-10%	2022-2023	48 to 60 instalments	Hypothecation of underlying equipments
Term loans from banks	2.66	-	9-10%	2022	60 instalments	Vehicles
Subtotal	1,094.83	694.73				
Term loans from others	309.04	353.63	10-15%	2021-2024	24-60 instalments	Underlying project inventory and assignment of project receivables
Term loans from others	194.14	199.35	10-11%	2023	48 instalments	Underlying project inventory
Term loans from others	-	240.61	11-13%	2020	14 instalments	Underlying project inventory and assignment of project receivables and collateral security of investment property
Term loans from others	0.55	0.67	9-10%	2015-2022	36 to 60 instalments	Vehicles
Term loans from others	3.44	0.00	9-10%	2020 - 2021	34 to 60 instalments	Hypothecation of underlying equipments
Subtotal	1,107.17	1,008.26				
Total	2,202.00	1,702.99				

Category of loan	March 31, 2019	March 31, 2018	Effective interest rate	Maturity	Repayment details	Nature of security
Current borrowings						
Term loans from banks	-	164.30	10-13%	2015-2021	29 to 49 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	50.00	18.35	10-11%	2023	36 instalments	Underlying project inventory and assignment of project receivables
Term loans from banks	50.00	182.65				Underlying project inventory
Term loans from others	91.67	188.86	10-11%	2021	24 instalments	Underlying project inventory and assignment of project receivables
Term loans from others	266.14	54.78	11-14%	2020-2022	5-24 instalments	Underlying project inventory and assignment of project receivables
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	124.45	28.22	11-16%	2019	To be repaid in Sept 2019	Unsecured
Subtotal	482.26	320.16				
Cash credit and other loan from banks	49.11	104.30	10-11%	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	106.61	49.97	10-11%	On demand	On demand	Underlying project inventory
Cash credit and other loan from banks	0.00	18.70	10-11%	On demand	On demand	Underlying project inventory and assignment of project receivables
Subtotal	155.72	172.97				
Loans from related parties	5.28	2.06	10-12%	On demand	On demand	Unsecured
Subtotal	5.28	2.06				
Total	693.26	677.84				



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

22 Other financial liabilities	March 31, 2019	March 31, 2018
a Non current		
Security deposits	13.27	9.42
	<u>13.27</u>	<u>9.42</u>
b Current		
Current maturities of long term borrowings (note 21)	1,766.65	1,562.99
Other payables	37.63	21.66
	<u>1,804.28</u>	<u>1,584.65</u>
	<u>1,817.55</u>	<u>1,594.07</u>

Note 1: Amount of current maturities of non-current borrowings repayable within twelve months is Rs.201.10 crores (March 31, 2018: Rs.121.01 crores)

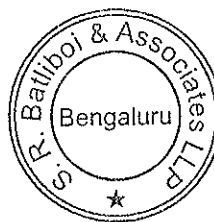
23 Provisions	March 31, 2019	March 31, 2018
a Non-current		
Provision for employee benefits		
Gratuity (refer note 41)	10.47	11.21
Leave benefits	-	-
	<u>10.47</u>	<u>11.21</u>
b Current		
Provision for employee benefits		
Gratuity (refer note 41)	1.65	0.18
Leave benefits	2.31	14.00
	<u>3.96</u>	<u>14.19</u>
Other provisions		
Provision for contract losses	5.65	1.25
	<u>9.61</u>	<u>15.44</u>
	<u>20.08</u>	<u>26.65</u>

24 Trade payables	March 31, 2019	March 31, 2018
Trade payable		
- Payable to related parties	85.00	45.07
- Payable to others	382.60	395.83
	<u>467.60</u>	<u>440.90</u>

25 Other current liabilities	March 31, 2019	March 31, 2018
Deferred revenue	2,359.25	119.07
Statutory dues payable	5.83	8.16
Liability under joint development arrangement*	1,063.40	1,380.46
Unpaid dividend	0.18	0.16
Other payables	6.13	2.42
	<u>3,434.79</u>	<u>1,510.26</u>

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

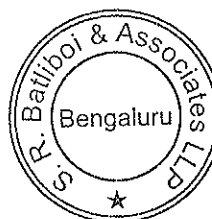
26 Current tax liabilities (net)	March 31, 2019	March 31, 2018
Provision for income tax (net of advance tax Rs.53.79 crores crores (March 31, 2018 Rs. 53.79 crores)	-	2.08
	<u>-</u>	<u>2.08</u>





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

<b>27 Revenue from operations</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Revenue from contracts with customers	2,009.40	1,375.57
Revenue from real estate development (refer note 39)	(A) 2,009.40	1,375.57
<b>Other operating revenues</b>		
Lease income	5.23	4.74
Profit on sale of investment property	26.81	26.81
Others	9.05	7.78
(B)	41.09	39.33
(A)+(B)	2,050.49	1,414.90
<b>28 Other income</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Interest on financial assets:		
Bank deposits	0.37	0.73
Security deposits	15.57	48.79
Loans to associates	4.53	5.84
Others	9.36	8.73
Profit on sale of property, plant and equipment	0.31	0.59
Provisions / liabilities no longer required written-back	26.69	3.88
Gain arising from financial instruments designated as FVTPL	4.74	8.13
Others	14.66	13.36
	76.23	90.04
<b>29 Cost of raw materials, components and stores consumed</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Inventories at the beginning of the year	26.55	23.13
Add : Purchases during the year	97.92	68.28
	124.47	91.41
Less : Inventories at the end of the year	15.43	26.55
Cost of raw materials, components and stores consumed	109.04	64.86
<b>30 (Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Inventories at the beginning of the year		
Land stock	848.74	976.96
Work-in-progress	2,938.42	2,813.81
Stock of flats	873.35	737.21
Less: Transferred to CWIP/ investment property	-	(82.37)
Less: Transition adjustments pursuant to Ind-AS 115 (refer note 39)	2,332.56	-
Add: Inventory of newly acquired subsidiary	2.63	-
Inventories at the end of the year		
Land stock	1,064.02	848.74
Work-in-progress	4,123.71	2,938.42
Stock of flats	1,562.94	873.35
	245.03	(214.90)
<b>31 Employee benefits expense</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Salaries, wages and bonus	117.58	98.26
Contribution to provident fund and other funds	4.06	4.27
Staff welfare	2.29	1.38
	123.93	103.90



32 Finance costs

	March 31, 2019	March 31, 2018
Finance costs		
Interest on financial liabilities		
- Borrowings	309.87	230.78
- Others	14.42	20.01
Bank charges	3.75	0.54
	<u>328.04</u>	<u>251.34</u>

\* Gross of interest of Rs.272.81 crores (March 31, 2018: Rs.218.81 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 8 to 16%.

33 Depreciation and amortization expense

	March 31, 2019	March 31, 2018
Depreciation of property, plant and equipment (refer note 3)	11.62	13.18
Depreciation of investment properties (refer note 4)	2.14	0.49
Amortization of intangible assets (refer note 5)	1.30	1.29
	<u>15.06</u>	<u>14.96</u>

34 Other expenses

	March 31, 2019	March 31, 2018
Travel and conveyance	8.41	6.51
Repairs and maintenance		
- buildings	-	-
- plant & machinery	0.08	0.04
- others	32.34	22.06
Legal and professional	48.84	42.96
Rent (refer note 37)	17.33	15.32
Rates and taxes	28.93	39.66
Security	14.29	15.04
Communication costs	2.73	2.46
Printing and stationery	2.15	1.96
Advertising and sales promotion	61.71	41.70
Brokerage costs	12.22	8.85
Exchange differences (net)	0.35	0.09
Corporate social responsibility expenses	2.03	0.50
Provision for contract losses	22.04	-
Miscellaneous expenses	15.72	12.62
	<u>269.17</u>	<u>209.77</u>

Notes:

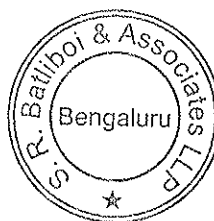
1. Payment to auditor (included in legal and professional charges) \*

As auditor:

Audit fee	0.95	0.65
Other services	0.11	0.12
Reimbursement of expenses	0.03	0.03
	<u>1.09</u>	<u>0.80</u>

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

	-	0.22
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### 35 Financial instruments

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 details of fair value measurement of Group's financial assets/liabilities are as below:

	Level	March 31, 2019	March 31, 2018
Investment in unquoted debt instruments of joint venture	Level 3	70.07	69.99
<b>Reconciliation of fair value</b>			
Opening balance		69.99	61.86
Fair value changes		0.08	8.13
Closing balance		70.07	69.99

The following methods and assumptions were used to estimate the fair values:

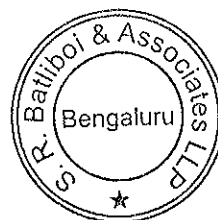
- The quoted investments (mutual funds and bonds) are valued using the quoted market prices in active markets for identical investments.
- The fair values of the unquoted debt instruments have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. There have been no transfers between levels during the period.

The Group's investments in its joint ventures and associates are accounted for using the equity method.

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	379.14	326.10
Trade receivables	15	250.64	274.95
Cash and cash equivalents	16	149.12	132.31
Bank balances other than cash and cash equivalents	17	0.32	0.16
Other financial assets	8	51.83	545.63
		<u>831.05</u>	<u>1,279.15</u>
Break up of financial liabilities carried at amortized cost		March 31, 2019	March 31, 2018
Non-current borrowings	21a	435.39	137.99
Current borrowings	21b	693.22	677.84
Trade payable	24	467.60	440.90
Other financial liabilities	22	1,817.55	1,594.07
		<u>3,413.76</u>	<u>2,850.80</u>



### 36 Financial risk management

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

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

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

##### 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 Group does not receive the entire payment. Hence, as the Group does not have significant credit risk, it does not present the information related to ageing pattern. The Group 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 Group made no write-offs of trade receivables.

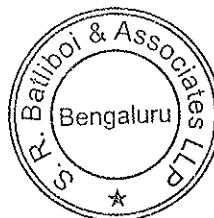
#### b. Liquidity risk

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 Group'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	149.12	132.31
Bank balances other than cash and cash equivalents	0.32	0.16
	<u>149.44</u>	<u>132.47</u>



**Maturities of financial liabilities**

The tables below analyze the Group'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 to 5 years	More than 5 years	Total
<b>Financial liabilities - non-current</b>					
Borrowings*#	-	201.10	1,881.32	145.95	2,228.37
Security deposits	-	1.29	2.17	9.81	13.27
<b>Financial liabilities - current</b>					
Borrowings#	161.00	143.43	388.79	-	693.22
Trade payables	-	343.79	123.81	-	467.60
Other financial liabilities	-	3.16	34.47	-	37.63
<b>March 31, 2018</b>	<b>On demand</b>	<b>Less than 1 year</b>	<b>1 to 5 years</b>	<b>More than 5 years</b>	<b>Total</b>
<b>Financial liabilities - non-current</b>					
Borrowings*#	-	121.01	1,557.25	44.69	1,722.95
Security deposits	-	(0.09)	2.97	6.54	9.42
<b>Financial liabilities - current</b>					
Borrowings#	180.38	163.11	340.06	-	684.45
Trade payables	1.02	293.21	146.67	-	440.90
Other financial liabilities	-	3.18	18.48	-	21.66

\* 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:

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 Group is affected by the price volatility of certain commodities/ real estate. Its operating activities require the ongoing development of real estate. The Group's management has developed and enacted a risk management strategy regarding commodity/ real estate price risk and its mitigation. The Group 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)	13.19	11.43
Interest rates -- decrease by 50 basis points (50 bps)	(13.19)	(11.43)

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

**Capital Management**

The Group'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 Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

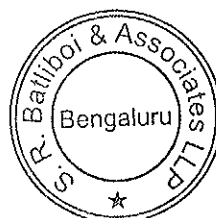
The Group monitors its capital using gearing ratio, which is net debt divided by total equity. Net debt comprises long term borrowings, short term borrowings, current maturities of long term borrowings less cash and cash equivalents and other bank balances. Total equity comprises equity share capital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

Particulars	March 31, 2019	March 31, 2018
Long term borrowings	435.39	137.99
Current maturities of long term borrowings and finance lease obligations	1,766.65	1,562.99
Short term borrowings	693.22	677.84
Less: Cash and cash equivalents	(149.12)	(132.31)
Less : Bank balances other than cash and cash equivalents	(0.32)	(0.16)
Net debt	2,745.82	2,246.35
Total equity	1,856.75	2,393.17
Gearing ratio*	1.48	0.94

In order to achieve the objective of maximize shareholders value, the Groups'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.



**37 Commitments and contingencies**

**a. Leases**

**Operating lease**

**Group as lessee**

The Group 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.

	March 31, 2019	March 31, 2018
Lease expense for cancellable and non-cancellable operating leases	17.33	15.32

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	4.79	2.42
b) One to five years	11.69	0.23
c) More than five years	-	-
<b>Total</b>	<b>16.48</b>	<b>2.65</b>

**Group as lessor**

The Group 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 Group is also required to maintain the property over the lease term.

	March 31, 2019	March 31, 2018
Lease income for cancellable and non-cancellable operating leases	5.23	4.74

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) One to five years	14.50	4.55
c) More than five years	0.57	0.91
<b>Total</b>	<b>21.89</b>	<b>7.90</b>

**b. Other commitments**

(i) As at March 31, 2019, the estimated amount of contract (net of capital advance) remaining to be executed on capital account not provided for was Rs.8.09 crores (March 31, 2018 - Rs. 1.06 crores)

(ii) As at March 31, 2019, the Group has given Rs.378.61 crores (March 31, 2018: Rs.345.77 crores) as advances/deposits for purchase of land/ joint development. Under the agreements executed with the land owners, the Group 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.

**c. Contingent liabilities**

Claims against the group not acknowledged as debts

	March 31, 2019	March 31, 2018
- Value added tax	7.89	9.43
- Service tax	89.91	57.13
- Income tax	61.30	15.28
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 Group is subject to certain ongoing litigations as below:

a) 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

b) 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 and customer's counter-claims and the underlying customer's receivable is classified as good and recoverable 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.

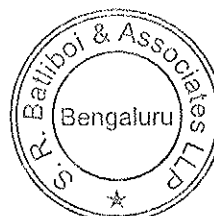
The Group is also subject to certain legal proceedings and claims, which have arisen in the ordinary course of business, including certain litigation for commercial development or land parcels held for construction purposes, either through joint development arrangements or through outright purchases, 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 Group 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.

**38 Segmental information**

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



39 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.

39.1 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	1,833.59
Revenue recognised over time	175.81
Other operating revenue	41.09
	<u>2,050.49</u>

39.2 Contract balances

	March 31, 2019	April 1, 2018
Trade receivables	250.64	274.95
Contract liabilities - deferred revenue	2,359.25	2,927.06

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

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 1,353.10

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

39.3 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	4,098.06
Revenue to be recognised over time	1,063.40

\*\* 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.

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

	March 31, 2019	April 1, 2018
Inventories		
- Work-in-progress	1,125.21	953.28
- Stock of flats	574.56	1,449.23
Prepaid expenses (represents brokerage costs pertaining to sale of real estate units)	29.33	29.80



39.5 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	60.25	36.08	24.17
	Inventories	b	7,019.62	4,687.06	2,332.56
	Unbilled Revenue	b	13.57	450.77	(437.20)
	Other receivables		-	35.60	(35.60)
	Prepaid expenses	b	45.66	15.86	29.80
	Deferred tax assets	d	359.78	53.33	306.45
	<b>Total assets</b>		<b>7,498.88</b>	<b>5,278.70</b>	<b>2,220.18</b>
	<b>Liabilities</b>				
	Borrowings		831.22	815.83	15.39
	Current liabilities - contract liabilities	b	2,927.06	119.07	2,807.99
	<b>Total liabilities</b>		<b>3,758.28</b>	<b>934.90</b>	<b>2,823.38</b>
	<b>Net debit to retained earnings</b>				<b>(603.20)</b>

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

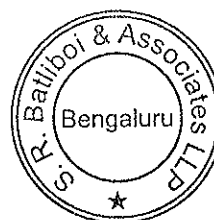
	Reference	Ind AS 115	Previous Ind AS	Increase/ (decrease)
<b>Income</b>				
Revenue from operations	b	2,050.49	849.49	1,201.00
(increase)/ decrease in inventories of stock of flats, land stock and work-in-p	b	245.03	(387.92)	632.95
Other expenses	b	269.17	262.28	6.89
<b>Profit before tax</b>		<b>171.77</b>	<b>(389.39)</b>	<b>561.16</b>
Total tax expense - deferred tax charge/ credit	c	57.42	(140.74)	198.16
<b>Profit for the year</b>		<b>114.35</b>	<b>(248.65)</b>	<b>363.00</b>
<b>Impact on Earnings per share</b>				
a. Basic - in Indian Rupees		4.82	(10.50)	15.32
b. Diluted - in Indian Rupees		4.82	(10.50)	15.32

3 Assets/Liabilities as at March 31, 2019

	Reference	Ind AS 115	Previous Ind AS	Increase/ (decrease)
<b>Non-current assets</b>				
Deferred tax assets (net)		301.75	187.68	114.07
<b>Current assets</b>				
Inventories		6,766.10	5,066.33	1,699.77
Financial assets				
Other financial assets		25.43	757.39	(731.96)
Other current assets		304.83	281.92	22.91
<b>Total assets</b>		<b>7,398.11</b>	<b>6,293.32</b>	<b>1,104.79</b>
<b>Current liabilities</b>				
Other current liabilities		3,434.79	2,094.12	1,340.67
<b>Total liabilities</b>		<b>3,434.79</b>	<b>2,094.12</b>	<b>1,340.67</b>
<b>Retained earning</b>		<b>1,738.17</b>	<b>1,974.04</b>	<b>(235.87)</b>

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

40 Related party transactions

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

(i) 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)

(iii) Relatives of key management personnel

Ms. Geeta S Vhatkar

Ms. Amanda Puravankara

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

Purva Developments

Puravankara Investments

Handiman Services Limited

Kenstream Ventures LLP

(v) Associates

Keppel Puravankara Development Private Limited

Propmart Technologies Limited

Sobha Puravankara Aviation Private Limited

Whitefield Ventures

(vi) Joint venture

Pune Projects LLP

Purva Good Earth Properties Private Limited (Joint Venture of Provident Housing Limited)



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

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

Nature of transaction	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
Loans given to								
Propman Technologies Limited	19.84	19.27	-	-	-	-	-	-
Pune Projects LLP	70.39	64.84	-	-	-	-	-	-
Purva Good Earth Properties Private Limited	4.92	0.18	-	-	-	-	-	-
Loans taken from								
Puravankara Investments	-	-	-	-	-	-	1.88	1.88
Purva Development	-	-	-	-	-	-	0.18	0.18
Advance for land contracts paid to								
Geeta S Vnalkar	-	-	-	-	21.13	18.57	-	-
Advance to suppliers								
Sobha Puravankara Aviation Private Limited	-	1.97	-	-	-	-	-	-
Investment in debentures								
Purva Good Earth Properties Private Limited	70.07	69.99	-	-	-	-	-	-
Security Deposits paid to								
Ravi Puravankara	-	-	2.21	2.21	-	-	-	-
Dues from								
Pune Projects LLP	0.28	1.98	-	-	-	-	-	-
Kenstream Ventures LLP	-	-	-	-	-	-	-	35.60
Guarantees given by								
Ravi Puravankara	-	-	49.11	-	-	-	-	-
Ashish Puravankara	-	-	49.11	-	-	-	-	-
Dues to								
Handiman Services Limited	-	-	-	-	-	-	3.52	4.02
Puravankara Investments	-	-	-	-	-	-	0.03	0.03



## 43 Additional Information as required under Schedule III to the Companies Act, 2013.

Sl. no.	Name of the entity	Net assets (total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		Amount	As % of consolidated net assets/ (liabilities)	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated profit/ (loss)
	As at March 31, 2019:	1,647.88	88.75%	91.77	80.25%	17.6%	(0.42)	80.31%	91.35
<b>Puravankara Limited Subsidiaries (held directly)</b>									
<b>Indian subsidiaries</b>									
1	Prudential Housing and Infrastructure Development Limited	(1.48)	-0.08%	(0.01)	-0.01%	-	-	-	-0.01%
2	Centurions Housing & Constructions Private Limited	10.95	0.59%	7.81	6.83%	-	-	-	6.87%
3	Melmont Construction Private Limited	(4.04)	-0.22%	(0.06)	-0.05%	-	-	-	-0.05%
4	Purva Realities Private Limited * # S	(0.02)	0.00%	(0.00)	0.00%	-	-	-	0.00%
5	Grand Hills Developments Private Limited * # S	(0.01)	0.00%	(0.00)	0.00%	-	-	-	0.00%
6	Purva Ruby Properties Private Limited	(0.76)	-0.04%	(0.13)	-0.12%	-	-	-	-0.11%
7	Purva Sapphire Land Private Limited * # S	(0.03)	0.00%	(0.00)	0.00%	-	-	-	0.00%
8	Purva Star Properties Private Limited	(24.98)	-1.35%	2.47	2.16%	-	-	-	2.17%
9	Nile Developers Private Limited	6.56	0.35%	(0.13)	-0.11%	-	-	-	-0.11%
10	Vaigal Developers Private Limited * # S	5.09	0.27%	(0.00)	0.00%	-	-	-	0.00%
11	Jaganmata Property Developers Private Limited * # S	(0.01)	0.00%	(0.01)	0.00%	-	-	-	-0.01%
12	Jyothishmati Business Centers Private Limited * # S	-	0.00%	(0.00)	0.00%	-	-	-	0.00%
13	Vagishwari Land Developers Private Limited * # S	-	0.00%	(0.00)	0.00%	-	-	-	0.00%
14	Varishna Property Developers Private Limited * # S	-	0.00%	(0.00)	0.00%	-	-	-	0.00%
15	Starworth Infrastructure & Construction Limited	25.81	1.39%	3.04	2.66%	-	-	-	2.72%
16	Provident Housing Limited	235.99	12.71%	14.11	12.34%	0.05	(0.24)	12.15%	13.87
17	Purva Pine Private Limited * # S	-	0.00%	(0.00)	0.00%	-	-	-	0.00%
18	Purva Oak Private Limited * # S	-	0.00%	(0.00)	0.00%	-	-	-	0.00%
19	Provident Meriya Private Limited * # S	0.01	0.00%	(0.00)	0.00%	-	-	-	0.00%
20	Argan Properties Private Limited * # S ^	-	0.00%	(0.00)	0.00%	-	-	-	0.00%
21	Provident Cedar Private Limited * # S	-	0.00%	(0.00)	0.00%	-	-	-	0.00%
22	IBID Homes Private Limited	(0.40)	-0.02%	(0.00)	0.00%	-	-	-	0.00%
23	Devas Global Services LLP	0.10	0.01%	(0.00)	-0.32%	-	-	-	-0.33%
24	D.V. Infrathomes Private Limited*	(0.05)	0.00%	(0.06)	-0.05%	-	-	-	-0.05%
<b>Foreign subsidiaries</b>									
1	Welworth Lanka Holding Private Limited	14.02	0.76%	(0.03)	-0.02%	-	-	-	-0.03%
2	Welworth Lanka Projects (Private) Limited	8.46	0.46%	(0.91)	-0.80%	-	-	-	-0.80%
<b>Associates</b>									
1	Keppel Puravankara Development Private Limited	107.66	5.80%	(1.10)	-0.96%	-	-	-	-0.97%
2	Propmart Technologies Limited	(26.83)	-1.44%	0.21	0.18%	-	-	-	0.18%
3	Sobha Puravankara Aviation Private Limited	(97.28)	-5.24%	(11.06)	-9.67%	-	-	-	-9.72%
4	Whitefield Ventures # S	10.25	0.55%	-	0.00%	-	-	-	0.00%
<b>Joint ventures</b>									
1	Purva Good Earth Properties Private Limited	(0.29)	-0.02%	(0.09)	-0.08%	-	-	-	-0.08%
2	Pune Projects LLP	(10.90)	-0.59%	(2.81)	-2.46%	-	-	-	-2.47%
Adjustment arising out of consolidation		(48.96)	-2.64%	11.72	10.25%	0%	0%	10.30%	11.72
<b>Grand total</b>		1,856.75	100.00%	114.35	100.00%	206.85%	(0.61)	100.00%	113.75

\* The net assets of the aforesaid subsidiaries and associates cumulatively represents 0.01% as a percentage of consolidated net assets. Consequently the net assets as a percentage of consolidated net assets of the individual subsidiaries and associates presented above appears as 'zero'.

^ The share of profit/(loss) of the aforesaid subsidiaries and associates cumulatively represents 0.01% as a percentage of consolidated profit. Consequently share of profit (loss) as a percentage of consolidated profit of the individual subsidiaries and associates presented above appears as 'zero'.

^ The share of total comprehensive income/(loss) of the aforesaid subsidiaries and associates cumulatively represents 0.01% as a percentage of consolidated total comprehensive income. Consequently share of total comprehensive income (loss) as a percentage of consolidated total comprehensive income of the individual subsidiaries and associates presented above appears as 'zero'.

^ On March 15, 2019, the Group has sold 100% equity shares of Argan Properties Private Limited, a wholly owned subsidiary company.



Puravankara Limited  
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2019  
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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 Group 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 Group 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 Group 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
Pure Projects LLP	70.39	70.39	84.84	85.52
Prompt Technologies Limited	19.84	19.84	19.27	-
Purva Good Earth Properties Private Limited	4.92	4.92	0.18	0.01

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.

6. As at March 31, 2018, with respect to the Group's borrowings, the director of the Company has given fund shortfall undertaking towards funding of underlying projects/ working capital. Also refer note 21.

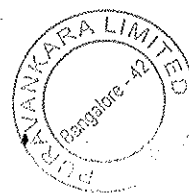
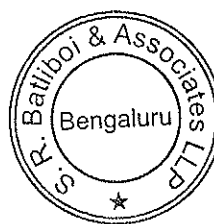


41 Defined benefit plan - Gratuity

A. The Group has gratuity as defined benefit retirement plans for its employees. The Group 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 Group'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	21.17	19.06			
Fair value of plan assets as at the end of the year	(9.06)	(7.67)			
Net liability recognized in the Balance Sheet	<u>12.11</u>	<u>11.39</u>			
Non-current	10.47	11.21			
Current	1.65	0.18			
2 Changes in the present value of defined benefit obligation					
Defined benefit obligation as at beginning of the year	19.06	16.09			
Service cost	2.98	2.73			
Interest cost	1.46	1.17			
Actuarial losses/(gains) arising from					
- change in demographic assumptions	-	-			
- change in financial assumptions	-	(0.66)			
- experience variance (i.e. Actual experiences assumptions)	0.24	0.90			
Past service cost	-	-			
Benefits paid	(2.57)	(1.17)			
Defined benefit obligation as at the end of the year	<u>21.17</u>	<u>19.06</u>			
3 Changes in the fair value of plan assets					
Fair value as at the beginning of the year	7.67	4.86			
Return on plan assets	0.68	0.44			
Actuarial (losses)/gains	(0.03)	(0.16)			
Contributions	3.03	3.19			
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					
Discount rate	7.70%	7.70%			
Future salary increase	6.00%	6.00%			
Attrition rate	5.00%	5.00%			
4 Net gratuity cost for the year ended March 31, 2019 and March 31, 2018 comprises of following components.					
Service cost	2.98	2.73			
Net Interest Cost on the net defined benefit liability	<u>0.78</u>	<u>0.73</u>			
Defined benefit costs recognized in Statement of Profit and Loss	<u>3.76</u>	<u>3.46</u>			
5 Other Comprehensive Income					
Change in demographic assumptions	-	-			
Change in financial assumptions	-	(0.66)			
Experience variance (i.e. Actual experience vs assumptions)	0.25	0.88			
Return on plan assets, excluding amount recognized in net interest expense	<u>0.03</u>	<u>0.16</u>			
Defined benefit costs recognized in other comprehensive income	<u>0.28</u>	<u>0.38</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	21.17	19.06	16.09	13.47	12.90
Plan assets	9.06	7.67	4.86	0.98	1.77
Net surplus/(deficit)	(12.11)	(11.39)	(11.23)	(12.49)	(11.13)
Experience adjustments on plan liabilities	(0.24)	(0.90)	(0.52)	(1.10)	(0.02)
Experience adjustments on plan assets	0.03	0.16	(0.57)	(0.09)	0.11



C. 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)	1.95	(1.69)	1.78	(5.50)
% change compared to base due to sensitivity	9.2%	(8.0%)	9.3%	(28.90%)
Assumptions	Further Salary Increase		Further Salary Increase	
Sensitivity Level	(1.0%)	1.0%	(1.0%)	1.0%
Impact on defined benefit obligation (Rs. Crores)	(1.73)	1.96	(1.58)	(2.98)
% change compared to base due to sensitivity	(8.2%)	9.3%	(8.3%)	(15.60%)
Assumptions	Attrition Rate		Attrition Rate	
Sensitivity Level	(1.0%)	1.0%	(1.0%)	1.0%
Impact on defined benefit obligation (Rs. Crores)	(0.48)	0.32	(0.45)	(4.08)
% change compared to base due to sensitivity	(2.3%)	1.5%	(2.4%)	(21.4%)

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.

D. Effect of Plan on Group's Future Cash Flows

a. Expected contributions to the plan asset for the next annual reporting period	March 31, 2019 3.00	March 31, 2018 3.00
b. Maturity profile of the defined benefit obligation		
1 year	March 31, 2019 2.49	March 31, 2018 1.35
2 to 5 years	6.67	7.56
More than 5 years	40.55	36.15
Total expected payments	<u>49.71</u>	<u>45.06</u>



42 Investments

A. The investments accounted for using the equity method is as follows:

a. Investment in joint ventures

Name of the joint venture	Country of incorporation and principal place of business	Principal activity	Proportion of beneficial interests held by the Group as at	
			March 31, 2019	March 31, 2018
Purva Good Earth Properties Private Limited	India, Bengaluru	Real estate development and construction	25%	25%
Pune Projects LLP	India, Pune	Real estate development and construction	32%	32%

b. Investment in associates

Name of the associates	Country of incorporation and principal place of business	Principal activity	Proportion of beneficial interests held by the Group as at	
			March 31, 2019	March 31, 2018
Keppel Puravankara Development Private Limited	India, Bengaluru	Real estate development and construction	49.00%	49.00%
Propmart Technologies Limited	India, Bengaluru	Real estate agents	32.83%	32.83%
Sobha Puravankara Aviation Private Limited	India, Bengaluru	Aviation	49.75%	49.75%
Whitefield Ventures	India, Bengaluru	Real estate development and construction	42.00%	42.00%

The investment in all the above associates and joint ventures is accounted for using the equity method in accordance with Ind AS 28, 'Investments in Associates and Joint Ventures'. The above associates and joint ventures are not listed companies, therefore there is no quoted market price for such investments made by the Group.

Disclosures relating to associates and joint ventures

1. Keppel Puravankara Development Private Limited

(i) Summary of assets and liabilities

	March 31, 2019	March 31, 2018
Non-current assets	20.51	18.69
Current assets	439.03	100.81
Non-current liabilities	226.60	0.15
Current liabilities	125.29	8.99
Total Equity	107.66	110.37
Attributable to the Group (49%)	52.75	54.08

(ii) Summary of profit and loss

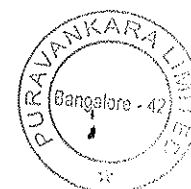
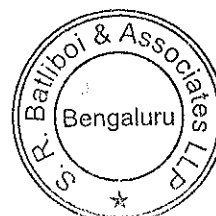
	March 31, 2019	March 31, 2018
Revenue	0.15	1.77
Profit/(loss) for the year	(1.10)	(2.51)
Total comprehensive income	(1.10)	(2.50)
Attributable to the Group (49%)	(0.54)	(1.23)

(iii) Summary of cash flows

	March 31, 2019	March 31, 2018
Net cash inflow/(outflow) during the year	23.64	11.86

(iv) Summary of commitments and contingent liabilities

	March 31, 2019	March 31, 2018
Capital commitments	33.49	33.86
Contingent liabilities	33.49	33.86
Attributable to the Group (49%)	16.41	16.59



**Puravankara Limited**  
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**1. Propmart Technologies Limited**

**(i) Summary of assets and liabilities**

	March 31, 2019	March 31, 2018
Non-current assets	0.04	0.05
Current assets	6.02	5.68
Non-current liabilities	-	-
Current liabilities	32.89	32.96
Total Equity	(26.83)	(27.23)
<b>Attributable to the Group (32.83%)</b>	<b>(8.81)</b>	<b>(8.94)</b>

**(ii) Summary of profit and loss**

	March 31, 2019	March 31, 2018
Revenue	3.53	2.01
Profit/(loss) for the year	0.21	(2.59)
Total comprehensive income	0.21	(2.59)
<b>Attributable to the Group (32.83%)</b>	<b>0.07</b>	<b>(0.85)</b>

**(iii) Summary of cash flows**

	March 31, 2019	March 31, 2018
Net cash inflow/(outflow) during the year	0.33	(0.08)

**(iv) Summary of commitments and contingent liabilities**

	March 31, 2019	March 31, 2018
Capital commitments	-	-
Contingent liabilities	-	-
<b>Attributable to the Group (32.83%)</b>	<b>-</b>	<b>-</b>

**3. Sobha Puravankara Aviation Private Limited**

**(i) Summary of assets and liabilities**

	March 31, 2019	March 31, 2018
Non-current assets	69.06	73.91
Current assets	2.55	2.55
Non-current liabilities	95.01	164.32
Current liabilities	73.88	2.04
Total Equity	(97.28)	(89.90)
<b>Attributable to the Group (49.75%)</b>	<b>(48.40)</b>	<b>(44.72)</b>

**(ii) Summary of profit and loss**

	March 31, 2019	March 31, 2018
Revenue	8.02	11.76
Profit/(loss) for the year	(11.06)	(6.17)
Total comprehensive income	(11.06)	(6.17)
<b>Attributable to the Group (49.75%)</b>	<b>(5.50)</b>	<b>(3.07)</b>

**(iii) Summary of cash flows**

	March 31, 2019	March 31, 2018
Net cash inflow/(outflow) during the year	0.29	-

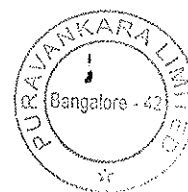
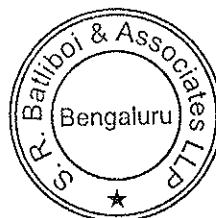
**(iv) Summary of commitments and contingent liabilities**

	March 31, 2019	March 31, 2018
Capital commitments	-	-
Contingent liabilities	-	-

**4. Purva Good Earth Properties Private Limited**

**(i) Summary of assets and liabilities**

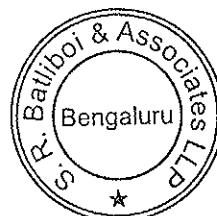
	March 31, 2019	March 31, 2018
Non-current assets	18.69	18.69
Current assets	289.83	265.85
Non-current liabilities	301.99	283.52
Current liabilities	6.82	1.21
Total Equity	(0.29)	(0.19)
<b>Attributable to the Group (25%)</b>	<b>(0.07)</b>	<b>(0.05)</b>





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(ii) Summary of profit and loss	March 31, 2019	March 31, 2018
Revenue	0.02	0.04
Profit/(loss) for the year	(0.10)	(0.09)
Total comprehensive income	(0.10)	(0.09)
Attributable to the Group (25%)	(0.02)	(0.02)
(iii) Summary of cash flows	March 31, 2019	March 31, 2018
Net cash inflow/(outflow) during the year	(0.01)	(1.58)
(iv) Summary of commitments and contingent liabilities	March 31, 2019	March 31, 2018
Capital commitments	-	-
Contingent liabilities	10.64	-
	10.64	-
<b>5 Pune Projects LLP</b>		
(i) Summary of assets and liabilities	March 31, 2019	March 31, 2018
Non-current assets	5.84	4.81
Current assets	240.85	174.43
Non-current liabilities	-	-
Current liabilities	257.59	189.52
Total Equity	(10.95)	(10.28)
Attributable to the Group (32%)	(3.50)	(3.29)
(ii) Summary of profit and loss	March 31, 2019	March 31, 2018
Revenue	0.15	0.87
Profit/(loss) for the year	(4.14)	(3.64)
Total comprehensive income	(4.14)	(3.64)
Attributable to the Group (32%)	(1.32)	(1.17)
(iii) Summary of cash flows	March 31, 2019	March 31, 2018
Net cash inflow/(outflow) during the year	13.78	(11.92)
(iv) Summary of commitments and contingent liabilities	March 31, 2019	March 31, 2018
Capital commitments	-	-
Contingent liabilities	-	-
<b>6 Whitefield Ventures</b>		
(i) Summary of assets and liabilities	March 31, 2019	March 31, 2018
Non-current assets	-	-
Current assets	10.20	10.20
Non-current liabilities	-	-
Current liabilities	-	-
Total Equity	10.20	10.20
Attributable to the Group (42%)	3.26	3.26
(ii) Summary of profit and loss	March 31, 2019	March 31, 2018
Revenue	-	-
Profit/(loss) for the year	-	-
Total comprehensive income	-	-
Attributable to the Group (42%)	-	-
(iii) Summary of cash flows	March 31, 2019	March 31, 2018
Net cash inflow/(outflow) during the year	-	-
(iv) Summary of commitments and contingent liabilities	March 31, 2019	March 31, 2018
Capital commitments	-	-
Contingent liabilities	-	-

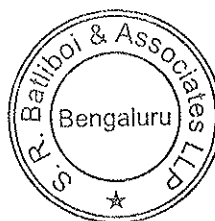


**B Investments in subsidiaries**

**1. Composition of the Group**

Set out below details of the subsidiaries held directly by the Group:

Name of the entity	Country of incorporation and principal place of business	Portion of ownership interests held by the Group as on	
		31-Mar-19	31-Mar-18
Prudential Housing and Infrastructure Development Limited	India, Mumbai	100%	100%
Centurions Housing & Constructions Private Limited	India, Chennai	100%	100%
Melmont Construction Private Limited	India, Bengaluru	100%	100%
Purva Realities Private Limited	India, Bengaluru	100%	100%
Grand Hills Developments Private Limited	India, Bengaluru	100%	100%
Purva Ruby Properties Private Limited	India, Bengaluru	100%	100%
Purva Sapphire Land Private Limited	India, Bengaluru	100%	100%
Purva Star Properties Private Limited	India, Bengaluru	100%	100%
Nile Developers Private Limited	India, Chennai	100%	100%
Vaigai Developers Private Limited	India, Chennai	100%	100%
Starworth Infrastructure and Construction Limited	India, Bengaluru	100%	100%
Provident Housing Limited	India, Bengaluru	100%	100%
Jaganmata Property Developers Private Limited	India, Hyderabad	100%	100%
Jyothishmati Business Centers Private Limited	India, Hyderabad	100%	100%
Vagishwari Land Developers Private Limited	India, Hyderabad	100%	100%
Varishtha Property Developers Private Limited	India, Hyderabad	100%	100%
Purva Pine Private Limited	India, Bengaluru	100%	100%
Purva Oak Private Limited	India, Bengaluru	100%	100%
Provident Meryta Private Limited	India, Bengaluru	100%	100%
Argan Properties Private Limited	India, Bengaluru	-	100%
Provident Cedar Private Limited	India, Bengaluru	100%	100%
Welworth Lanka Holding Private Limited	Sri Lanka, Colombo	100%	100%
Welworth Lanka Private Limited	Sri Lanka, Colombo	100%	100%
IBID Home Private Limited	India, Bengaluru	100%	100%
Devas Global Services LLP	India, Bengaluru	100%	-
DV Infr Homes Private Limited	Pune, Maharastra	60%	-



2. Obtaining and losing control of subsidiaries or other businesses:

(a). During the year ended March 31, 2018 the Company has written-off the carrying amount of its investment in Purva Corporation ("PC") pursuant to dissolution of PC.

Details of Net assets of Purva Corporation as at March 31, 2017:

	Amount
Cash and cash equivalents	0.01
Other assets	0.05
<b>Total current assets</b>	<b>0.06</b>
Trade payables and other current liabilities	0.11
<b>Total current liabilities</b>	<b>0.11</b>
<b>Total net assets</b>	<b>(0.04)</b>

(b). During the year ended March 31, 2018, the Group has acquired 100% equity interest in IBID Home Private Limited. Following are the details of the acquisition:

Details of Purchase consideration	Total
Consideration paid in cash	0.01
<b>Total purchase consideration</b>	<b>0.01</b>

Details of Net assets of IBID Home Private Limited as at the date of acquisition were as follows:

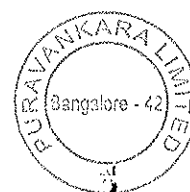
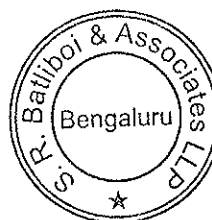
Property, Plant and Equipment	0.03
Intangible assets under development	2.53
Other assets	0.33
<b>Total non-current assets</b>	<b>2.90</b>
Cash and cash equivalents	0.01
Other financial and non-financial assets	0.12
<b>Total current assets</b>	<b>0.13</b>
<b>Total assets</b>	<b>3.02</b>
Borrowings	3.22
Trade payables and other current liabilities	0.00
<b>Total current liabilities</b>	<b>3.22</b>
<b>Total net assets</b>	<b>(0.20)</b>

(c). During the year ended March 31, 2019, the Group has acquired 100% ownership interest in Devas Global Services LLP. Following are the details of the acquisition:

Details of Purchase consideration	Total
Consideration paid in cash	-
<b>Total purchase consideration</b>	<b>-</b>

Details of Net assets of Devas Global Services LLP as at the date of acquisition were as follows:

Property, Plant and Equipment	-
Intangible assets under development	-
Other assets	-
<b>Total non-current assets</b>	<b>-</b>
Cash and cash equivalents	-
Inventories	121.42
Other financial and non-financial assets	0.39
<b>Total current assets</b>	<b>121.81</b>
<b>Total assets</b>	<b>121.81</b>
Borrowings	-
Trade payables and other current liabilities	121.71
<b>Total current liabilities</b>	<b>121.71</b>
<b>Total net assets</b>	<b>0.10</b>



(d). During the year ended March 31, 2019, the Group has acquired 60% equity interest in D.V.Infrhomes Private Limited. Following are the details of the acquisition:

Details of Purchase consideration	Total
Consideration paid in cash	0.01
Total purchase consideration	0.01

Details of Net assets of D.V.Infrhomes Private Limited as at the date of acquisition were as follows:

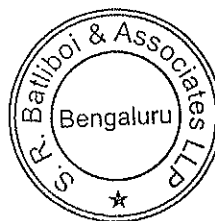
Property, Plant and Equipment	-
Intangible assets under development	-
Other assets	-
Total non-current assets	-
Cash and cash equivalents	0.05
Inventories	2.63
Other financial and non-financial assets	0.15
Total current assets	2.83
Total assets	2.83
Borrowings	2.83
Trade payables and other current liabilities	-
Total current liabilities	2.83
Total net assets	-

(e). During the year ended March 31, 2019 the Group has sold its 100% equity interest in Argan Properties Private Limited. Following are the details of the sale:

Details of sale consideration	Total
Consideration received in cash	0.01
Total sale consideration	0.01

Details of Net assets of Argan Properties Private Limited transferred:

	Amount
Cash and cash equivalents	0.01
Other assets	-
Total current assets	0.01
Trade payables and other current liabilities	-
Total current liabilities	-
Total net assets	0.01



Puravankara Limited

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43 Additional Information as required under Schedule III to the Companies Act, 2013.

As at March 31, 2019:

Sl. no.	Name of the entity	Net assets (total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		Amount	As % of consolidated net assets/ (liabilities)	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated profit/ (loss)
	Puravankara Limited (formerly Puravankara Projects Limited)	88.75%	1,547.88	80.25%	91.77	176%	(0.42)	80.31%	91.35
	Subsidiaries (held directly)								
1	Prudential Housing and Infrastructure Development Limited	-0.08%	(1.48)	-0.01%	(0.01)	0%	-	-0.01%	(0.01)
2	Centurion Housing & Constructions Private Limited	0.59%	10.95	5.83%	7.81	0%	-	5.83%	7.81
3	Melmont Construction Private Limited	-0.22%	(4.04)	-0.05%	(0.06)	0%	-	-0.05%	(0.06)
4	Purva Realities Private Limited * # S	0.00%	(0.02)	0.00%	(0.00)	0%	-	0.00%	-
5	Grand Hills Developments Private Limited * # S	0.00%	(0.01)	0.00%	(0.00)	0%	-	0.00%	-
6	Purva Ruby Properties Private Limited	-0.04%	(0.76)	-0.12%	(0.13)	0%	-	-0.11%	(0.13)
7	Purva Sapphire Land Private Limited * # S	0.00%	(0.03)	0.00%	(0.00)	0%	-	0.00%	-
8	Purva Star Properties Private Limited	-1.35%	(24.98)	2.16%	2.47	0%	-	2.17%	2.47
9	Nile Developers Private Limited	0.35%	6.56	-0.11%	(0.13)	0%	-	-0.11%	(0.13)
10	Vaigai Developers Private Limited # S	0.27%	5.09	0.00%	(0.00)	0%	-	0.00%	-
11	Jagannatha Property Developers Private Limited *	0.00%	(0.01)	0.00%	(0.01)	0%	-	-0.01%	(0.01)
12	Jyothishmati Business Centers Private Limited * # S	0.00%	-	0.00%	(0.00)	0%	-	0.00%	-
13	Vagishwari Land Developers Private Limited * # S	0.00%	-	0.00%	(0.00)	0%	-	0.00%	-
14	Varishtha Property Developers Private Limited * # S	0.00%	-	0.00%	(0.00)	0%	-	0.00%	-
15	Starworth Infrastructure & Construction Limited	1.39%	25.81	2.66%	3.04	-8%	0.05	2.72%	3.09
16	Provident Housing Limited	12.71%	235.99	12.34%	14.11	39%	(0.24)	12.19%	13.87
17	Purva Pine Private Limited * # S	0.00%	-	0.00%	(0.00)	0%	-	0.00%	-
18	Purva Oak Private Limited * # S	0.00%	-	0.00%	(0.00)	0%	-	0.00%	-
19	Provident Meoria Private Limited * # S	0.00%	0.01	0.00%	(0.00)	0%	-	0.00%	-
20	Argan Properties Private Limited * # S ^	0.00%	0.01	0.00%	(0.00)	0%	-	0.00%	-
21	Provident Cedar Private Limited * # S	-0.02%	(0.40)	-0.32%	(0.37)	0%	-	-0.33%	(0.37)
22	IBID Homes Private Limited	0.01%	0.10	0.00%	(0.00)	0%	-	0.00%	-
23	Devas Global Services LLP	0.00%	(0.05)	-0.05%	(0.06)	0%	-	-0.05%	(0.06)
24	D.V. Infinites Private Limited*	0.76%	14.02	-0.02%	(0.03)	0%	-	-0.03%	(0.03)
	Foreign subsidiaries								
1	Welworth Lanka Holding Private Limited	0.46%	8.45	-0.80%	(0.91)	0%	-	-0.80%	(0.91)
2	Welworth Lanka Projects (Private) Limited								
	Associates								
1	Keppel Puravankara Development Private Limited	5.80%	107.66	-0.96%	(1.10)	0%	-	-0.97%	(1.10)
2	Propmart Technologies Limited	-1.44%	(26.83)	0.18%	0.21	0%	-	0.18%	0.21
3	Sobha Puravankara Aviation Private Limited	-5.24%	(97.28)	-9.67%	(11.06)	0%	-	-9.72%	(11.06)
4	Whitefield Ventures # S	0.55%	10.25	0.00%	-	0%	-	0.00%	-
	Joint ventures								
1	Purva Good Earth Properties Private Limited	-0.02%	(0.29)	-0.08%	(0.09)	0%	-	-0.08%	(0.09)
2	Pune Projects LLP	-0.59%	(10.90)	-2.46%	(2.81)	0%	-	-2.47%	(2.81)
	Adjustment arising out of consolidation	-2.64%	(48.96)	10.25%	11.72	0%	-	10.30%	11.72
	Grand total	100.00%	1,856.75	100.00%	114.35	206.85%	(0.61)	100.00%	113.75

\* The net assets of the aforesaid subsidiaries and associates cumulatively represents 0.01% as a percentage of consolidated net assets. Consequently the net assets as a percentage of consolidated net assets of the individual subsidiaries and associates presented above appears as 'zero'.

# The share of profit/(loss) of the aforesaid subsidiaries and associates cumulatively represents 0.01% as a percentage of consolidated profit. Consequently share of profit (loss) as a percentage of consolidated profit of the individual subsidiaries and associates presented above appears as 'zero'.

S The share of total comprehensive income/(loss) of the aforesaid subsidiaries and associates cumulatively represents 0.01% as a percentage of consolidated total comprehensive income. Consequently share of total comprehensive income (loss) as a percentage of consolidated total comprehensive income of the individual subsidiaries and associates presented above appears as 'zero'.

^ On March 15, 2019, the Group has sold 100% equity shares of Argan Properties Private Limited, a wholly owned subsidiary company.



Puravankara Limited

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

43 Additional Information as required under Schedule III to the Companies Act, 2013.

As at March 31, 2019:

Sl. no.	Name of the entity	Net assets (total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		Amount	As % of consolidated net assets/ (liabilities)	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated profit/ (loss)
Puravankara Limited		1,647.88	88.75%	91.77	80.25%	1.76%	(0.42)	80.31%	91.35
<b>Indian subsidiaries</b>									
1	Prudential Housing and Infrastructure Development Limited	(1.48)	-0.08%	(0.01)	-0.01%	0%	-	-0.01%	(0.01)
2	Centurion Housing & Constructions Private Limited	10.95	0.59%	7.81	6.83%	0%	-	6.83%	7.81
3	Melmont Construction Private Limited	(4.04)	-0.22%	(0.06)	-0.05%	0%	-	-0.05%	(0.06)
4	Purva Realities Private Limited * # S	(0.02)	0.00%	(0.00)	0.00%	0%	-	0.00%	-
5	Grand Hills Developments Private Limited * # S	(0.01)	0.00%	(0.00)	0.00%	0%	-	0.00%	-
6	Purva Ruby Properties Private Limited	(0.76)	-0.04%	(0.13)	-0.12%	0%	-	-0.11%	(0.13)
7	Purva Sapphire Land Private Limited * # S	(0.03)	0.00%	(0.00)	0.00%	0%	-	0.00%	-
8	Purva Star Properties Private Limited	(24.98)	-1.35%	2.47	2.16%	0%	-	2.17%	2.47
9	Nile Developers Private Limited	6.56	0.35%	(0.13)	-0.11%	0%	-	-0.11%	(0.13)
10	Vaigai Developers Private Limited # S	5.09	0.27%	(0.00)	0.00%	0%	-	0.00%	-
11	Jaganmata Property Developers Private Limited *	(0.01)	0.00%	(0.01)	0.00%	0%	-	-0.01%	(0.01)
12	Jyothishmati Business Centers Private Limited * # S	-	0.00%	(0.00)	0.00%	0%	-	0.00%	-
13	Vagishwari Land Developers Private Limited * # S	-	0.00%	(0.00)	0.00%	0%	-	0.00%	-
14	Varishtha Property Developers Private Limited * # S	-	0.00%	(0.00)	0.00%	0%	-	0.00%	-
15	Stanworth Infrastructure & Construction Limited	25.81	1.39%	3.04	2.66%	-8%	0.05	2.72%	3.09
16	Provident Housing Limited	235.99	12.71%	14.11	12.34%	39%	(3.24)	12.19%	13.87
17	Purva Pine Private Limited * # S	-	0.00%	(0.00)	0.00%	0%	-	0.00%	-
18	Purva Oak Private Limited * # S	-	0.00%	(0.00)	0.00%	0%	-	0.00%	-
19	Provident Menya Private Limited * # S	0.01	0.00%	(0.00)	0.00%	0%	-	0.00%	-
20	Argan Properties Private Limited * # S ^	0.01	0.00%	(0.00)	0.00%	0%	-	0.00%	-
21	Provident Cedar Private Limited * # S	(0.40)	-0.02%	(0.37)	-0.32%	0%	-	-0.33%	(0.37)
22	IBID Homes Private Limited	0.10	0.01%	(0.00)	0.00%	0%	-	0.00%	-
23	Devas Global Services LLP	(0.05)	0.00%	(0.06)	-0.05%	0%	-	-0.05%	(0.06)
24	D.V. Infinitimes Private Limited *	-	0.00%	-	-	-	-	-	-
<b>Foreign subsidiaries</b>									
1	Welworth Lanka Holding Private Limited	14.02	0.76%	(0.03)	-0.02%	0%	-	-0.03%	(0.03)
2	Welworth Lanka Projects (Private) Limited	8.46	0.46%	(0.91)	-0.80%	0%	-	-0.80%	(0.91)
<b>Associates</b>									
1	Keppel Puravankara Development Private Limited	107.66	5.80%	(1.10)	-0.96%	0%	-	-0.97%	(1.10)
2	Propmart Technologies Limited	(28.83)	-1.44%	0.21	0.18%	0%	-	0.18%	0.21
3	Sobha Puravankara Aviation Private Limited	(97.28)	-5.24%	(11.06)	-9.67%	0%	-	-9.72%	(11.06)
4	Whitefield Ventures # S	10.25	0.55%	-	0.00%	0%	-	0.00%	-
<b>Joint ventures</b>									
1	Purva Good Earth Properties Private Limited	(0.29)	-0.02%	(0.09)	-0.08%	0%	-	-0.08%	(0.09)
2	Pune Projects LLP	(10.90)	-0.59%	(2.81)	-2.46%	0%	-	-2.47%	(2.81)
Adjustment arising out of consolidation		(48.96)	-2.64%	11.72	10.25%	0%	-	10.30%	11.72
<b>Grand total</b>		<b>1,856.75</b>	<b>100.00%</b>	<b>114.35</b>	<b>100.00%</b>	<b>206.85%</b>	<b>(0.61)</b>	<b>100.00%</b>	<b>113.75</b>

\* The net assets of the aforesaid subsidiaries and associates cumulatively represents 0.01% as a percentage of consolidated net assets. Consequently the net assets as a percentage of consolidated net assets of the individual subsidiaries and associates presented above appears as 'zero'.

# The share of profit/loss of the aforesaid subsidiaries and associates cumulatively represents 0.01% as a percentage of consolidated profit. Consequently share of profit (loss) as a percentage of consolidated profit of the individual subsidiaries and associates presented above appears as 'zero'.

\$ The share of total comprehensive income/loss of the aforesaid subsidiaries and associates cumulatively represents 0.01% as a percentage of consolidated total comprehensive income. Consequently share of total comprehensive income (loss) as a percentage of consolidated total comprehensive income of the individual subsidiaries and associates presented above appears as 'zero'.

^ On March 15, 2019, the Group has sold 100% equity shares of Argan Properties Private Limited, a wholly owned subsidiary company.



**44 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 lessees 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 lessees – 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.

Lessor 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 Group will adopt Ind AS 116 effective from April 1, 2019. As at the date of issuance of the Group's financial statements, the Group 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**

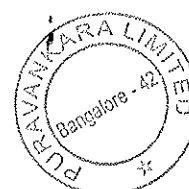
The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- 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 those 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.

45 Unhedged foreign currency exposure

March 31, 2019  
Nil

March 31, 2018  
Nil

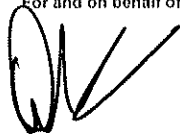
For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm registration number: 101049W/E300004

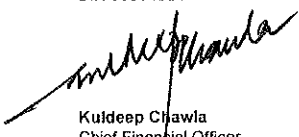
  
per-Adarsh Ranka  
Partner  
Membership no.: 209567



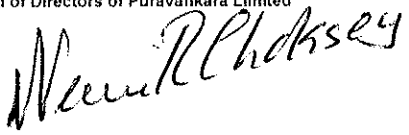
Bengaluru  
May 18, 2019

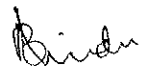
For and on behalf of the Board of Directors of Puravankara Limited

  
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

