

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**Review Report to
The Board of Directors
Puravankara Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Puravankara Limited (the "Company") which includes its 4 partnership entities for the quarter ended December 31, 2021 and year to date from April 1, 2021 to December 31, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above and based on the consideration of the review reports of other auditors of the partnership entities referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. **Emphasis of Matter**
We draw attention to the following notes to the accompanying financial results:
 - i) Note 07 in connection with the wholly-owned subsidiary being subject to an ongoing litigation with its customer. Pending resolution of the litigation and based on legal opinion

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

obtained by the management, no provision has been made towards the resulting impact of customer's counter-claims on the subsidiary in the accompanying financial results.

- ii) Note 08 in connection with certain ongoing property related legal proceedings in the Company. Pending resolution of the legal proceedings and based on legal opinions obtained by the management, no provision has been made towards any claims and the underlying recoverable, deposits and advances are classified as good and recoverable in the accompanying financial results.
- iii) Note 09 in connection with the management's evaluation of Covid-19 impact on the business operations and cash flows of the Company. In view of the uncertain economic conditions, the management's evaluation of the impact on the subsequent periods is highly dependent upon conditions as they evolve.

Our conclusion on the Statement is not modified in respect of the above matters.

6. Other matter

The accompanying Statement of quarterly and year to date unaudited standalone financial results include the financial results and other financial information in respect of 4 partnership entities, whose financial results include the Company's share of net loss after tax of Rs. 0.16 crore and Rs. 0.63 crore for the quarter ended December 31, 2021 and for the period from April 1, 2021 to December 31, 2021 as considered in the Statement, whose financial results and other financial information have been reviewed by other auditors.

The reports of such other auditors on financial results and other financial information of these partnership entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these partnership entities, is based solely on the reports of such other auditors.

Our conclusion on the Statement is not modified in respect of the above matter.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

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per Adarsh Ranka

Partner

Membership No.: 209567

UDIN: 22209567ABIPGB5733

Place: Bengaluru, India

Date: February 11, 2022

PURAVANKARA LIMITED
Corporate Identity Number (CIN): L45200KA1986PLC051571

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Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2021

(Rs. in Crores)

Sl. No.	Particulars	Quarter ended 31.12.2021 [Unaudited]	Preceding Quarter ended 30.09.2021 [Unaudited]	Corresponding Quarter ended 31.12.2020 [Unaudited]	Year to date figures for the current period ended 31.12.2021 [Unaudited]	Year to date figures for the preceding period ended 31.12.2020 [Unaudited]	Previous Year ended 31.03.2021 [Audited]
1	Income						
	(a) Revenue from operations	74.34	121.93	139.78	620.33	428.04	563.95
	(b) Other income	19.87	8.80	44.42	184.97	56.20	66.70
	Total income	94.21	130.73	184.20	805.30	484.24	630.65
2	Expenses						
	(a) Sub-contractor cost	101.45	83.78	38.61	222.98	91.89	141.08
	(b) Cost of raw materials and components consumed	1.63	0.78	1.22	2.56	7.97	8.92
	(c) Land purchase cost	8.00	0.37	3.05	17.53	67.28	67.28
	(d) (Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress	(121.63)	(46.38)	8.17	(81.54)	4.40	(17.51)
	(e) Employee benefits expense	20.12	21.00	17.16	59.77	50.36	70.36
	(f) Finance cost	46.20	45.11	64.49	143.46	192.98	252.42
	(g) Depreciation and amortization expense	2.26	2.42	2.88	7.15	8.69	11.18
	(h) Other expenses	32.75	20.72	27.24	116.72	71.72	110.96
	Total expenses	90.78	127.80	162.82	488.63	495.29	644.69
3	Profit/(loss) before tax (1-2)	3.43	2.93	21.38	316.67	(11.05)	(14.04)
4	Tax expense						
	(i) Current tax charge/(credit)	2.64	0.30	-	38.24	-	-
	(ii) Deferred tax charge/(credit)	(2.41)	0.64	7.72	105.92	(3.09)	(4.33)
	Total	0.23	0.94	7.72	144.16	(3.09)	(4.33)
5	Net profit/(loss) for the period (3-4)	3.20	1.99	13.66	172.51	(7.96)	(9.71)
6	Other comprehensive income						
	(i) Items that will not be reclassified to profit and loss	(0.08)	(0.50)	(0.69)	0.10	(0.44)	(1.92)
	(ii) Income tax relating to items that will not be reclassified to profit and loss	0.02	0.13	0.24	(0.03)	0.15	0.67
	Total	(0.06)	(0.37)	(0.45)	0.07	(0.29)	(1.25)
7	Total Comprehensive Income for the period [Comprising Net profit for the period and Other Comprehensive Income (5+6)]	3.14	1.62	13.21	172.58	(8.25)	(10.96)
8(i)	Earnings per share (before extraordinary items) (of Rs. 5/- each) (not annualised):						
	a) Basic (in Rs.)	0.13	0.08	0.58	7.27	(0.34)	(0.41)
	b) Diluted (in Rs.)	0.13	0.08	0.58	7.27	(0.34)	(0.41)
8(ii)	Earnings per share (after extraordinary items) (of Rs. 5/- each) (not annualised):						
	a) Basic (in Rs.)	0.13	0.08	0.58	7.27	(0.34)	(0.41)
	b) Diluted (in Rs.)	0.13	0.08	0.58	7.27	(0.34)	(0.41)
9	Paid-up equity share capital (Face value of Rs. 5/- each)	118.58	118.58	118.58	118.58	118.58	118.58
10	Other equity as per the balance sheet						1,520.91

Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2021

Notes :

- 1 The above standalone financial results of Puravankara Limited ('the Company') have been reviewed by the Audit Committee and approved at the meeting of the Board of Directors of the Company held on 11.02.2022. The statutory auditors of the Company have carried out a limited review on the above standalone financial results of the Company.
- 2 During the quarter ended December 31, 2021, the Company has sold its investments in its subsidiaries - Vaigai Developers Private Limited and Nile Developers Private Limited to third parties for a consideration of Rs. 15 crores and Rs.9 crores respectively and the resulting gain has been accounted under Other Income. The results for the quarter and nine months ended December 31, 2021 include the net profit (net of tax expense) arising on the above transactions.
- 3 During the quarter ended December 31, 2021, a subsidiary of the Company has invested in M/s White Oaks, a partnership firm.
- 4 During the quarter ended September 30, 2021, the Company has acquired Purva Asset Management Private Limited (formerly, Map Capital Advisors Private Limited) as its subsidiary.
- 5 The Company's business activity falls 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. Further, the Company is domiciled in India and does not have significant foreign operations.
- 6 During the quarter ended June 30, 2021, the Company has sold its land inventory to its subsidiary - Vagishwari Land Developers Private Limited for a consideration of Rs.350 crores which has been accounted under Revenue from operations. Subsequently, the Company has sold its investments in the aforementioned subsidiary on June 10, 2021 to a third party for a consideration of Rs. 150 crores and the resulting gain has been accounted under Other Income. The results for the nine months ended December 31, 2021 include the net profit (net of tax expense) arising on the above transactions.
- 7 A wholly-owned subsidiary of the Company had initiated legal proceedings against its customer for recovery of receivables of Rs.15 crores, inventories of Rs.1 crore and customer's counter claim thereon, which is currently pending before the High Court. Pending resolution of the aforesaid litigation, no provision has been made towards the resulting impact of customer's counter-claims on the subsidiary in the accompanying financial results based on the legal opinion obtained by the management and the management's evaluation of the ultimate outcome of the litigation.
- 8 The Company is subject to legal proceedings for obtaining clear and marketable title for certain properties wherein the Company has outstanding deposits and advances of Rs. 82 crores. Further, the Company has Rs. 3 crore recoverable from parties, which are subject to ongoing legal proceedings. Further, in relation to certain property previously owned by the Company, an individual has initiated legal proceedings claiming title over such property, which is disputed by the Company. Pending resolution of the aforesaid legal proceedings, no provision has been made towards any claims and the underlying recoverable, deposits and advances are classified as good and recoverable in the accompanying financial results based on the legal evaluation by the management of the ultimate outcome of the legal proceedings.
- 9 The outbreak of Covid-19 pandemic globally and in India has caused significant disturbance and slowdown of economic activities. Consequently, the Company's operations were slowed down/suspended and accordingly the standalone financial results for the quarter and nine months ended December 31, 2021 are adversely impacted.

The Company has considered the possible effects that may result from the COVID-19 pandemic on the carrying value of assets [including property, plant and equipment, investment property, investments, inventories, loans, land advance/deposits and receivables]. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information to assess the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on the current estimates, the Company expects that the carrying amount of these assets as at period end, are fully recoverable. The management has estimated the future cash flows for the Company with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on realising its assets and in meeting its liabilities as and when they fall due. The actual impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these financial results.

Further, the Company's management has also made a detailed assessment of the progress of construction work on its ongoing projects during the period of lockdown and has concluded that the same was only a temporary slowdown in activities and has accordingly inventorised the borrowing costs incurred in accordance with Ind AS 23.

The outbreak of Covid-19 has impacted construction operations and project completion timelines of certain ongoing customer contracts of a wholly-owned subsidiary (WOS). The WOS is carrying construction work in progress as at December 31, 2021 and having regard to the WOS's ongoing discussions with its customers towards the construction work, the WOS is confident of billing the same in the ensuing quarters. Further, the WOS has also initiated proceedings with its customer for extension of certain projects' completion timeline and waiver of liquidated damages thereon amounting to Rs.20 crores. Pending resolution of the aforesaid matter, no provision has been made towards such liquidated damages in the accompanying financial results based on the terms of the customer contracts and impact of Covid-19 pandemic.

The Company will continue to closely observe the evolving scenario and take into account any future developments arising out of the same.

- 10 During the quarter ended December 31, 2021, the Company has entered into definitive agreements for demerger of a project asset of an associate company into a wholly owned subsidiary (WOS) of such associate company and the Company will be allotted shares in the WOS. Upon allotment, the Company agrees to sell its shareholding in the WOS for an agreed consideration, which is higher than the carrying value of the investment in the associate company. Considering the above arrangement is subject to compliance with certain conditions by the parties to the arrangement and regulatory approvals thereafter, the proposed sale of investment has not been recognised as at December 31, 2021.
- 11 The Taxation Laws (Amendment) Ordinance, 2019 ('the Ordinance') provides an option to domestic companies to pay income-tax at a lower rate of 25.17%, if it opts for not availing of certain specified exemptions or incentives. The Company has made an assessment of the impact of the Ordinance and has decided to opt for the lower tax rate of 25.17% from the financial year beginning April 01, 2021. Consequently, the Company has measured the current and deferred taxes from the normal rate of 34.94% to the lower rate of 25.17% and the tax expense for the quarter and nine months ended December 31, 2021 is higher by Rs. Nil and Rs.67.90 crores respectively.

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

CHOKSEY
NANI RUSI

Nani.R.Choksey
Vice-Chairman & Whole-time Director
DIN: 00504555

Bengaluru, India
February 11, 2022

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