S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

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"UB City" Canberra Block
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Bengaluru - 560 001, India
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INDEPENDENT AUDITOR'S REPORT

To the Members of Purva Good Earth Properties Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

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

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

Basis for Opinion

We conducted our audit of the 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 Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

S.R. Batliboi & Associates LLP Bengaluru

Responsibility of Management for the Ind AS Financial Statements

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

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

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid 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 as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

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(g) According to the information and explanation given to us, no remuneration has been paid/provided by the Company to its directors for the year ended March 31, 2019 as covered under the provisions of section 197 read with Schedule V to the Act.;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 21 to the Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

per Adarsh Ranka
Partner
Membership Number: 209567

S.R. Batliboi & Associates LLP Bengaluru

Place: Bengaluru
Date: May 17, 2019

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF PURVA GOOD EARTH PROPERTIES PRIVATE LIMTED

(i) The Company does not own any property, plant and equipment or investment property as on the reporting date. Accordingly, the provisions of clause 3(i) (a), (b) and (c) of the Order are not applicable to the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) According to the information and explanations given by the management, the provisions of Section 148(1) of the Act are not applicable to the Company and hence reporting under clause 3(vi) are not applicable.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods and service tax, duty of custom, cess and other statutory dues applicable to it. The provisions relating to provident fund and employees' state insurance are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, goods and service tax, duty of custom, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to provident fund and employees' state insurance are not applicable to the Company.

(c) According to the records of the Company, the dues of income-tax, goods and service tax, duty of custom and cess which have not been deposited on account of any dispute, are as follows:

Name of the Statue	Nature of dues	Amount (Rs. in lakhs)	Period to which amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income-tax	1,063.60	2015-2017	Commissioner of Income Tax (Appeals)

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Bengaluru

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to debenture holders. The Company has no outstanding dues to financial institutions, bank or government.

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans (representing loans with a repayment period beyond 36 months) for the purposes for which they were raised. The Company has not raised any monies by way of initial public offer/ further public offer.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanation given to us, no remuneration has been paid/provided by the Company to its directors for the year ended March 31, 2019 as covered under the provisions of section 197 read with Schedule V to the Act.;

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company and accordingly reporting under Clause 3(xiii) insofar as it relates to Section 177 of the Companies Act, 2013 is not applicable to the Company and hence not commented upon.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934, are not applicable to the Company.

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

per Adarsh Ranka
Partner
Membership Number: 209567

S. R. Batliboi & Associates LLP Bengaluru

Place: Bengaluru
Date: May 17, 2019

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF PURVA GOOD EARTH PROPERTIES PRIVATE LIMITED

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

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these 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 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 financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

S.R. Batliboi & Associates LLP
Bengaluru

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

A company's internal financial control over financial reporting with reference to these 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 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 Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

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

per Adarsh Ranka
Partner
Membership Number: 209567

S. R. Batliboi & Associates LLP Bengaluru

Place: Bengaluru
Date: May 17, 2019

Purva Good Earth Properties Private Limited
Balance Sheet as at March 31, 2019
(All amounts in Rs. Lakhs, unless otherwise stated)

	Note	March 31, 2019	March 31, 2018
ASSETS			
Non-current assets			
(a) Financial assets			
(i) Loans	3	19.51	17.57
(b) Other non-current assets	4a	1,849.86	1,851.10
Total non-current assets		1,869.37	1,868.67
Current assets			
(a) Inventories	5	27,370.63	25,044.92
(b) Financial assets			
(i) Cash and cash equivalents	6	1.29	1.89
(c) Other current assets	4b	1,611.45	1,537.73
Total current assets		28,983.37	26,584.54
Total assets		30,852.74	28,453.21
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	7	1.00	1.00
(b) Other equity	8	(29.72)	(19.99)
Total equity		(28.72)	(18.99)
LIABILITIES			
Non-current Liabilities			
(a) Financial liabilities			
(i) Borrowings	9a	30,199.17	28,351.54
Total non-current liabilities		30,199.17	28,351.54
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	9b	386.25	20.67
(ii) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises		-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	10	282.85	86.26
(b) Other current liabilities	11	13.19	13.73
Total current liabilities		682.29	120.66
Total equity and liabilities		30,852.74	28,453.21
Summary of significant accounting policies	2.2		

The accompanying notes referred to above form an integral part of the Ind AS 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 17, 2019

S. R. Batliboi & Associates LLP Bengaluru

For and on behalf of the Board of Directors of Purva Good Earth Properties Private Limited

Ashish Puravankara
Director
DIN 00504524

Bengaluru
May 17, 2019

Jasbir Ashish Puravankara
Director
DIN 01918184

California
May 17, 2019

Purva Good Earth Properties Pvt. Ltd. Bangalore

Purva Good Earth Properties Private Limited
Statement of Profit and Loss for the year ended 31 March 2019
(All amounts in Rs. Lakhs, unless otherwise stated)

	Note	March 31, 2019	March 31, 2018
Income			
Other income	12	1.93	3.74
Total		1.93	3.74
Expenses			
Sub-contractor cost		206.23	22.98
(Increase)/ decrease in work-in-progress	13	(2,325.71)	(2,676.66)
Finance costs	14	1,895.02	2,556.45
Other expenses	15	236.12	110.25
Total expenses		11.66	13.02
Profit/(loss) for the year		(9.73)	(9.28)
Other comprehensive income ('OCI')			
Items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
Total other comprehensive income		-	-
Total comprehensive income for the year (comprising profit and OCI)		(9.73)	(9.28)
Earnings per equity share ('EPS')			
(Nominal value per equity share Rs. 10 (March 31, 2018 - Rs.10)			
Basic (Rs.)		(97.30)	(92.80)
Diluted (Rs.)		(97.30)	(92.80)
Weighted average number of equity shares used in computation of EPS			
Basic - in numbers lakhs		0.10	0.10
Diluted - in numbers lakhs		0.10	0.10
Summary of significant accounting policies	2.2		

The accompanying notes referred to above form an integral part of the Ind AS 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 17, 2019

S.R. Batliboi & Associates LLP Bengaluru

For and on behalf of the Board of Directors
of Purva Good Earth Properties Private Limited

Ashish Puravankara
Director
DIN 00504524

Bengaluru
May 17, 2019

Jasbir Ashish Puravankara
Director
DIN 01918184

California
May 17, 2019

Purva Good Earth Properties Pvt. Ltd. Bangalore

Purva Good Earth Properties Private Limited
Statement of cash flow for the year ended March 31, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)	March 31, 2019	March 31, 2018
A. Cash flow from operating activities		
Profit/(loss) before tax	**(9.73)**	**(9.28)**
Adjustments to reconcile profit after tax to net cash flows		
Intererst on Borrowings	1,895.00	2,556.43
Operating profit before working capital changes	**1,885.27**	**2,547.15**
Working capital adjustments:		
(Increase)/decrease in other current assets	(73.72)	(113.84)
(Increase)/decrease in inventories	(2,325.71)	(2,676.66)
(Increase)/decrease in other non current assets	(0.70)	(11.07)
Increase/(decrease) in trade payables	196.59	74.87
Increase/(decrease) in current liabilities	(47.91)	1.54
Cash (used in)/ received from operations	**(366.18)**	**(178.01)**
Income tax paid (net)	-	-
Net cash flows (used in)/from operating activities	**(366.18)**	**(178.01)**
B. Cash flows from investing activities		
Net cash flows from / (used in) investing activities	-	-
	-	-
C. Cash flows from financing activities		
Proceeds from unsecured loans	365.58	20.00
Net cash (used in)/from financing activities	**365.58**	**20.00**
Net (decrease)/increase in cash and cash equivalents (A + B + C)	**(0.60)**	**(158.01)**
Cash and cash equivalents at the beginning of the year	**1.89**	**159.90**
Cash and cash equivalents at the end of the year	**1.29**	**1.89**
(as per note 6 to the Ind AS financial statements)		

Summary of significant accounting policies 2.2

The accompanying notes referred to above form an integral part of the Ind AS 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 17, 2019

S. R. Batliboi & Associates LLP Bengaluru

For and on behalf of the Board of Directors of Purva Good Earth Properties Private Limited

Ashish Puravankara
Director
DIN 00504524

Bengaluru
May 17, 2019

Jasbir Ashish Puravankara
Director
DIN 01918184

California
May 17, 2019

PURVA GOOD EARTH PROPERTIES PVT. LTD. BANGALORE

Purva Good Earth Properties Private Limited
Statement of changes in equity for the year ended March 31, 2019
(All amounts in Rs. Lakhs, unless otherwise stated)

A. Equity share capital

Particulars	As at April 01, 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. 10 each fully paid 0.1 lakhs (March 31, 2018 - 0.1 lakhs) equity shares of Rs. 10 each fully paid	1.00	-	1.00	-	1.00
	1.00	-	**1.00**	-	**1.00**

Note: Also refer note 7

B. Other equity

Particulars	Reserves and surplus	
	Retained Earning	Total
Balance as at April 01, 2017	(10.71)	(10.71)
Loss for the year	(9.28)	(9.28)
Other comprehensive income	-	-
Balance as at 31 March 2018	**(19.99)**	**(19.99)**
Loss for the year	(9.73)	(9.73)
Other comprehensive income	-	-
Balance as at 31 March 2019	**(29.72)**	**(29.72)**

Note: Also refer note 8

Summary of significant accounting policies 2.2

The accompanying notes referred to above form an integral part of the Ind AS 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 17, 2019

S. R. Batliboi & Associates LLP Bengaluru

For and on behalf of the Board of Directors of
Purva Good Earth Properties Private Limited

Ashish Puravankara
Director
DIN 00504524

Bengaluru
May 17, 2019

Jasbir Ashish Puravankara
Director
DIN 01918184

California
May 17, 2019

Purva Good Earth Properties Pvt. Ltd. Bangalore

1. Corporate information

Purva Good Earth Properties Private Limited (the 'Company') was incorporated on April 10, 2007 under the provisions of the Companies Act applicable in India ("Act"). The registered office is located at 130/1, Ulsoor Road, Bengaluru 560042, India. The Company is engaged in the business of real estate development.

During the year, the Company has incurred losses of Rs.9.73 lakhs (March 31, 2018: Rs.9.28 lakhs) and as at March 31, 2018, it has accumulated losses of Rs.29.72 lakhs (March 31, 2018: Rs.19.99 lakhs) against equity capital of Rs.1 lakh (March 31, 2018: Rs.1 lakh). The Company is in the initial phase of its operations and in the process of executing a real estate project. Further, Provident Housing Limited, the holding company and Puravankara Limited, the ultimate holding company are committed to provide financial and operational support to the Company for its profitable operations in the foreseeable future.

The Ind AS financial statements were authorized for issue in accordance with a resolution of the Board of Directors on May 17, 2019.

2. Significant accounting policies

2.1 Basis of preparation

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

The 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.

2.2 Summary of significant accounting policies

(a) Use of estimates

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

(b) Changes in accounting policies and disclosures

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

Ind AS 115 Revenue from Contracts with Customers 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. The Company has applied the modified retrospective approach to all open contracts as at April 01, 2018. The application of Ind AS 115 has no material impact on the financial statements of the current year.

(c) Current versus non-current classification

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

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

All other assets are classified as non-current.

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A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

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

(d) Impairment

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

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

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

(e) 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.

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.

(f) 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.

(g) 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.

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.

(h) Land

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

(i) Revenue recognition

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

(j) Foreign currency translation

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

Foreign currency transactions and balances
i) Initial recognition - Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
ii) Conversion - Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.
iii) Exchange differences - The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expense in the period in which they arise.

(k) Retirement and other employee benefits

The provisions of the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948, Payment of Gratuity Act, 1972 etc. are not applicable to the Company as the number of employees are less than the minimum required employees under the said acts.

(l) Income taxes

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

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

i. Current income tax

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

ii. Deferred income tax

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

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

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

(m) Provisions and contingent liabilities

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

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the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

(n) Financial Instruments

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

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

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

iii. Debt instruments at amortized cost
A 'debt instrument' is measured at the amortized cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) 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. De-recognition of financial asset
The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

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

vi. 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.

vii. 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.

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

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

Fair value hierarchy:
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

(o) 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.

(p) Cash and cash equivalents

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

2.3 Significant accounting judgments, estimates and assumptions

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

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

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

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

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

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

Estimation of net realizable value for inventory and land advance
Inventory is stated at the lower of cost and net realizable value (NRV).
NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.
NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.
With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

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

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.

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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.

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

3 Loans	March 31, 2019	March 31, 2018
Non-current		
Unsecured, considered good		
Security deposits	19.51	17.57
	19.51	17.57

4 Other assets	March 31, 2019	March 31, 2018
a Non-current		
Prepaid expenses	8.26	9.50
Deposit with government authorities	1,841.60	1,841.60
	1,849.86	1,851.10
b Current		
Advances to suppliers	1,025.08	1,025.08
Duties and taxes recoverable	575.38	491.07
Rent paid in advance	1.27	3.06
Prepaid expenses	9.50	18.29
Others advances	0.22	0.23
	1,611.45	1,537.73

5 Inventories	March 31, 2019	March 31, 2018
Work-in-progress	27,370.63	25,044.92
	27,370.63	25,044.92

6 Cash and cash equivalents	March 31, 2019	March 31, 2018
Balance with banks		
In current accounts	1.29	1.89
	1.29	1.89

Changes in liabilities arising from financing activities

a) Borrowings	
Balance as at April 01, 2017	25,843.16
Add: Cash inflows	20.00
Add: Interest costs	2,556.43
Less: Withholding tax	(47.38)
Balance as at March 31, 2018	28,372.21
Add: Cash inflows	365.58
Add: Interest costs	1,895.00
Less: Withholding tax	(47.37)
Balance as at March 31, 2019	30,585.42

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	March 31, 2019	March 31, 2018
7 Equity share capital		
Authorized shares		
Equity share capital of face value of Rs. 10 each		
1 Lakh (March 31, 2018 - 1 Lakh) equity shares of Rs. 10 each	10.00	10.00
Issued, subscribed and fully paid-up shares		
Equity share capital of face value of Rs. 10 each		
0.1 Lakh (March 31, 2018 - 0.1 Lakh) equity shares of Rs. 10 each	1.00	1.00
	1.00	1.00

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	
	Numbers in Lakhs	Amount in Lakhs	Numbers in Lakhs	Amount in Lakhs
Balance at the beginning of the year	0.10	1.00	0.10	1.00
Movement during the year	-	-	-	-
Outstanding at the end of the year	0.10	1.00	0.10	1.00

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 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 share holders.

c. Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

	March 31, 2019	March 31, 2018
Provident Housing Limited, the holding company (as per Companies Act, 2013)		
0.1 lakh (March 31, 2018 - 0.1 lakh) equity shares of Rs. 10 each	1.00	1.00

d. Details of shareholders holding more than 5% shares	March 31, 2019		March 31, 2018	
	Numbers in Lakhs	% holding	Numbers in Lakhs	% holding
Equity shares of Rs. 10 each fully paid-up				
Provident Housing Limited	0.10	100%	0.10	100%

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
8 Other equity		
Reserves and surplus		
Retained earnings		
Balance at the beginning of the year	(19.99)	(10.71)
Total comprehensive income for the year	(9.73)	(9.28)
Balance at the end of the year	(29.72)	(19.99)
Total other equity	(29.72)	(19.99)

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9 Borrowings

	March 31, 2019	March 31, 2018
a. Non-current borrowings		
Secured		
47.375 Lakhs (March 31 , 2018 - 47.375 Lakhs) Class A optionally convertible debentures of Rs. 100 each	7,425.29	6,998.92
142.125 Lakhs (March 31, 2018 - 142.125 lakhs) Class B optionally convertible debentures of Rs. 100 each	22,773.88	21,352.62
	30,199.17	28,351.54
b. Current borrowings		
Unsecured		
Loans repayable on demand		
From related parties	386.25	20.67
	386.25	20.67
	30,585.42	28,372.21

(i) Debentures

a. The Company had issued Class A and Class B optionally convertible debentures carrying coupon rate of 10%, which are redeemable from time to time in a manner as provided in the debenture agreement. The debenture amount outstanding , if not redeemed earlier , be redeemed on the 10th anniversary of the relevent issuance date of such debenture.

b. Each of the Class A debenture shall be optionally convertible into equity shares of the Company and shall convert if directed by ther investor at any time when Class B are converted.

c. Each of the Class B debentrue shall be optionally convertible into equity shares of the Company at such time as the invester deems fit, which unless it is occuring on an event of default require the concurrence of the ultimate holding company: and on and from the occurance of an event of default , no concurrence of the Company and/or the holding company /ultimate holding company will be required for conversion of any of the Class B debentures.

d. The borrowings are secured by way of pledge of the inventories of the Company.

(ii) Loans repayable on demand
Loans are interest free and repayable on demand .

10 Trade payables

	March 31, 2019	March 31, 2018
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro and small enterprises		
Payable to related parties	111.10	30.91
Payable to others	171.75	55.35
	282.85	86.26

Note : Based on the information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" for the year ended March 31, 2019 and March 31, 2018.

11 Other current liabilities

	March 31, 2019	March 31, 2018
Statutory dues payable	13.19	13.73
	13.19	13.73

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(All amounts in Rs. Lakhs, unless otherwise stated)

	March 31, 2019	March 31, 2018
12 Other income		
Interest on financial aasets:		
Security deposits	1.93	3.74
	1.93	3.74

13 (Increase)/ decrease in work-in-progress	March 31, 2019	March 31, 2018
Inventory at the beginning of the year		
Work-in-Progress	25,044.92	22,368.26
Inventory at the end of the year		
Work-in-Progress	27,370.63	25,044.92
	(2,325.71)	(2,676.66)

14 Finance costs	March 31, 2019	March 31, 2018
Interest on financial liabilities		
- Borrowings	1,895.00	2,556.43
Bank charges	0.02	0.02
	1,895.02	2,556.45

Note: Gross interest of Rs.1895 lakhs (March 31, 2018 2,556.43 lakhs) 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 at 10%

15 Other expenses	March 31, 2019	March 31, 2018
Legal and professional charges	177.84	56.43
Rent	43.79	47.36
Rates and taxes	9.50	0.12
Security charges	4.99	6.23
Miscellaneous expenses	-	0.11
	236.12	110.25

Notes

1. Payment to auditor [included in legal and professional charges] *		
As auditor:		
Audit fee	8.00	7.25
Reimbursement of expenses	0.48	0.21
	8.48	7.46
* Payment to auditors, includes fees paid to a firm of Chartered Accountants other than S.R.Batliboi & Associates LLP.	-	0.25

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

16 Related party transactions

(i) List of related parties

Holding company (Under Companies Act, 2013)
Provident Housing Limited
Puravankara Limited (ultimate holding company)

Other related parties

Company having joint control over the company.
ASK Real Estate Special Opportunities Fund

Entities controlled by Key management personnel

Handiman Services Limited

(ii) The transactions with related parties for the year ended are as follows

Nature of transaction	Holding Company		Other related parties	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Borrowings taken from				
Provident Housing Limited	365.58	20.00	-	-
Interest on borrowings				
Provident Housing Limited	473.75	639.11	-	-
ASK Real Estate Special Opportunities Fund	-	-	1,421.25	1,917.32
Security charges				
Handiman Services Ltd.	-	-	4.99	6.23
Reimbursement of expenses by the company				
Provident Housing Limited	74.58	30.91	-	-
Puravankara Limited	0.01	-	-	-

(v) Balances with related parties at the year ended are as follows

Nature of transaction	Holding Company		Other related parties	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Long term borrowings				
Provident Housing Limited	7,425.29	6,998.92	-	-
ASK Real Estate Special Opportunities Fund	-	-	22,773.88	21,352.62
Short term borrowings				
Provident Housing Limited	385.57	20.00	-	-
Puravankara Limited	0.68	0.67	-	-
Trade payables				
Handiman Services Ltd.	-	-	5.61	-
Provident Housing Limited	105.49	30.91	-	-

(iv) Other information

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

2. In respect of the transactions with the related parties, the company has complied with the provisions of Section 188 of the Companies Act 2013 whereever applicable, and the details have been disclosed above, as required by the applicable accounting standards. The provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.

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(All amounts in Rs. Lakhs, unless otherwise stated)

17 Fair value measurements

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

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

The management assessed that the carrying values of cash and cash equivalents, 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 amorised 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
Financial assets :			
Loans	3	19.51	17.57
Cash and cash equivalents including other bank balances	6	1.29	1.89
Total financial assets		**20.80**	**19.46**
Financial liabilities :			
Non-Current borrowings	9a	30,199.17	28,351.54
Current borrowings	9b	386.25	20.67
Trade payables	10	282.85	86.26
		30,868.27	**28,458.47**

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18 Financial risk management

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

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

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

a. Credit risk

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

Credit risk management

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

With respect to other current assets, the Company has constituted teams to review the receivables on periodic basis and to take necessary mitigations, whenever required. The Company creates allowance for receivable based on lifetime expected credit loss

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

b. Liquidity risk

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

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

The break-up of cash and cash equivalents and other bank balances is as below:	March 31, 2019	March 31, 2018
Cash and cash equivalents	1.29	1.89
	1.29	1.89

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(All amounts in Rs. Lakhs, unless otherwise stated)

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is insignificant.

March 31, 2019	On demand	Less than 1 year	1 years to 5 years	5 years and above	Total
Non-current borrowings	-	-	-	30,199.17	30,199.17
Current borrowings	386.25	-	-	-	386.25
Trade payable	-	282.85	-	-	282.85

March 31, 2018	On demand	Less than 1 year	1 years to 5 years	5 years and above	Total
Non-current borrowings	-	-	-	28,351.54	28,351.54
Current borrowings	20.67	-	-	-	20.67
Trade payable	-	86.26	-	-	86.26

c. **Interest rate risk**

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.
The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

	March 31, 2019	March 31, 2018
Interest bearing borrowing	30,199.17	28,351.54
Interest free borrowing	386.25	20.67
Total borrowings	**30,585.42**	**28,372.21**

19 **Capital Management**

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

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

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

Particulars	March 31, 2019	March 31, 2018
Non-current borrowings	30,199.17	28,351.54
Current borrowings	386.25	20.67
Less: Cash and cash equivalents	1.29	1.89
Net debt	30,584.13	28,370.32
Total equity	(28.72)	(18.99)
Gearing ratio	1,064.91	1,493.65

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

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20 Leases

The Company has taken premises under cancellable operating leases. These leases have life of up to 4 years with renewal option.

	March 31, 2019	March 31, 2018
Lease expenses	43.79	47.36
	43.79	47.36

There are no non-cancellable operating lease commitments as at the Balance Sheet date.

21 Commitments and contingencies	**March 31, 2019**	**March 31, 2018**
Claims against the Company not acknowledged as debts		
- Income tax	1,063.60	-

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

22 Segmental information

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

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

23 Standards issued but not yet effective

a) Ind AS 116 Leases

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

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires 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.

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.

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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.

d) 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.

		March 31, 2019	March 31, 2018
24	Unhedged foreign currency exposure	Nil	Nil

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 17, 2019

S.R. Batliboi & Associates LLP Bengaluru

For and on behalf of the Board of Directors of
Purva Good Earth Properties Private Limited

Ashish R Puravankara
Managing Director
DIN 00504524

Bengaluru
May 17, 2019

Jasbir Ashish Puravankara
Director
DIN 01918184

California
May 17, 2019

Purva Good Earth Properties Pvt. Ltd. Bangalore