

28.09.2016

**General Manager – DCS,**

Listing Operations-Corporate Services Dept.  
BSE Ltd.

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Rotunda Building, 'P J. Towers,  
Dalal Street, Fort,  
**Mumbai 400 001.**

**Stock Code: 532891**

[corp.relations@bseindia.com](mailto:corp.relations@bseindia.com)

**The Manager,**

Listing Department,  
National Stock Exchange of India Ltd.,  
Exchange Plaza, 5th Floor, Plot No. C/1,  
G Block, Bandra-Kurla Complex, Bandra (E),  
Mumbai 400051.

**Stock Code: PURVA**

[cc\\_nse@nse.co.in](mailto:cc_nse@nse.co.in)

Dear Sir/Madam,

Sub: Annual Report for the financial year 2015-16.

Ref: Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We are hereby enclosing the Annual Report of the Company for the financial year 2015-16 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 duly approved and adopted by the members as per the provisions of the Companies Act, 2013.

This is for your information and record.

Yours Sincerely

For Puravankara Projects Limited

Bindu D  
Company Secretary  
M.N. 23290



**Puravankara Projects Limited**

Registered Office: #130/1, Ulsoor Road, Bengaluru - 560 042 Tel : 91-080-2559 9000/4343 9999 Fax : 91-080-2559 9350  
CIN: L45200KA1986PLC051571 E-mail: [info@puravankara.com](mailto:info@puravankara.com) [www.puravankara.com](http://www.puravankara.com)

AN ISO 9001 COMPANY



# BUILDING. PROTECTING.

PURAVANKARA  
PROJECTS LIMITED | 2015-16  
ANNUAL REPORT

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## CAUTION REGARDING FORWARD-LOOKING STATEMENTS

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This document contains statements about expected future events and financial and operating results of Puravankara Projects Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties.

There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Puravankara Projects Limited annual report, 2015-16.

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## LANDMARK.

The one word most people have used to describe the notification of the Real Estate (Regulation & Development) Bill, 2016, into an Act.

Because this is what RERA will do. Enhance sectoral benchmarks. Transform industry realities. Make real estate developers accountable. Enhance consumer protection.

A number of industry players are likely to see RERA as a threat; Puravankara sees this as opportunity.

Because this is precisely how we have been growing our business across the years...

BUILDING.  
PROTECTING.



STRIKING THE RIGHT  
**NOTE**  
WITH OUR CUSTOMERS

PURAVANKARA IS NOT JUST ANOTHER REAL ESTATE DEVELOPMENT COMPANY. THE COMPANY IS A FORWARD-LOOKING BRAND THAT REDEFINES HOW PEOPLE LIVE.

PURAVANKARA IS NOT JUST ANOTHER COMPANY FOCUSED SINGULARLY ON SALE. THE COMPANY IS A CREDIBLE BRAND THAT BUILDS AND PROTECTS.

PURAVANKARA IS NOT JUST ANOTHER REAL ESTATE COMPANY PAYING LIP SERVICE TO TRUST. THE COMPANY IS GOVERNANCE-DRIVEN ACROSS ALL ASPECTS OF ITS BUSINESS.

PURAVANKARA IS NOT JUST ANOTHER REAL ESTATE COMPANY MARKETING TODAY'S PRODUCTS. THE COMPANY IS ENGAGED IN PROVIDING HOMES THE WAY PEOPLE WILL LIVE IN THE FUTURE.



We envision a future where Puravankara is a household name the world over. A future where our brand symbolizes unique landmarks and superior community living of the highest standards of quality and customer delight.

# VISION

## The journey



### Legacy

Since inception in 1975, Puravankara is growing its business around quality and timely delivery. This commitment has been reinforced through an overarching culture of integrity - uncompromising values, customer-centricity, robust engineering and business transparency, making the Company a preferred real estate brand in India's residential and commercial segments

The Company enjoys a robust track record, having completed 50 residential and 4 commercial projects across a cumulative 27.23 mn sq. ft (proprietary economic interest of 24.35 mn sq. ft)

The Company possesses 23.64 mn sq. ft/ 17,725 units (proprietary economic interest of 20.40 mn sq. ft/ 15,480 units) under development and an additional 13.36 mn sq. ft (proprietary economic interest of 7.22 mn sq. ft) in projected development

The Group commenced real estate development in Mumbai, India's commercial capital, complemented by significant presence in Bengaluru, Kochi, Chennai, Coimbatore, Hyderabad, Mysuru and overseas (Dubai, Colombo and Saudi Arabia)

### Business

Puravankara Projects has been extensively engaged in creating premium residential realty projects across South India, a zone accounting for 22-24% of India's GDP growth

Provident Housing Limited, a 100% subsidiary, is engaged in the development of premium affordable housing

Puravankara extended its real estate development business to western India (Mumbai and Pune) in 2015-16

### Projects

Puravankara is one of the largest pure-play residential realty brands in India

Puravankara was engaged in the development of 13 projects in the cities of Bengaluru, Chennai, Hyderabad, Coimbatore and Mangaluru (as on 31 March 2016)

Provident is developing six projects in Bengaluru, Chennai, Coimbatore and Mangaluru (as on 31 March 2016)

Puravankara and Provident possess a consolidated pipeline of 84.08 mn sq. ft targeted for execution in 7-10 years

### Certifications/ ratings

Puravankara was certified for ISO-9001 by DNV in 1998 and has been awarded ISO 2015 rating, the first in the Real Estate Industry; its DA2+ rating by CRISIL is testimony to its reputation for highest quality and reliability. The long-term borrowing rating of the group stands at BBB (stable outlook), which is an excellent rating considering the current real estate environment



## 'THE YOU PHILOSOPHY'

At Puravankara, all our endeavors revolve around just one entity – our customers. Their need, dreams and aspirations are pivotal to our decisions. We call this 'The You Philosophy'.

### Promoters

**Puravankara** is helmed by Mr. Ravi Puravankara (Chairman), a first-generation entrepreneur and promoter with 42 years of sectoral experience

The second generation of promoters in the business is represented by Mr. Ashish Ravi Puravankara (Managing Director), who brings with him 16 years of sectoral experience

The Group's 10-member senior management team enjoy 150 person-years of cumulative experience in the country's real estate sector

### Employees

The Group has a workforce of 1,009 employees permanently on its payroll (as on 31 March 2016)

28% are experienced engineers and architects; 24% are MBAs and post-graduates; the rest are graduates and others

The Company's high people productivity, coupled with enhanced process automation, has helped increase turnover per employee by 35% in the last two years

INCOME FROM OPERATIONS

14%

CAGR, FY12-16

### Listing

**Puravankara** Projects' equity share (nominal value ₹5) is listed on the NSE and BSE in India

The Company's market capitalisation on the NSE stood at ₹1,124 crores as on 31 March 2016 (₹1,471 crores as on 31 March 2015)

### Dividend

The Company proposed a dividend of ₹0.78 (15.605%) per equity share for 2015-16 (31% dividend disbursed in 2014-15), which amounts to a cumulative outflow of ₹22.27 crores including the dividend distribution tax



# BUILDING PLATFORMS. PROTECTING VALUE.

## LAND BANK (mn sq ft.)



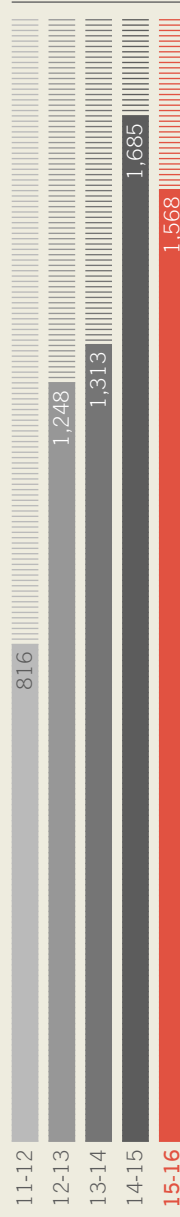
A GROWING LAND BANK...

## REALTY DEVELOPMENT (mn sq ft.)



... CATALYSED THE COMPLETION OF DEVELOPED (AND DELIVERED) SPACE...

## GROSS TURNOVER (₹ crores)



... LEADING TO A GROWING TURNOVER...

## OPERATING PROFIT (₹ crores)



... THAT HELPED AMORTISE COSTS AND ENHANCE PROFITS...

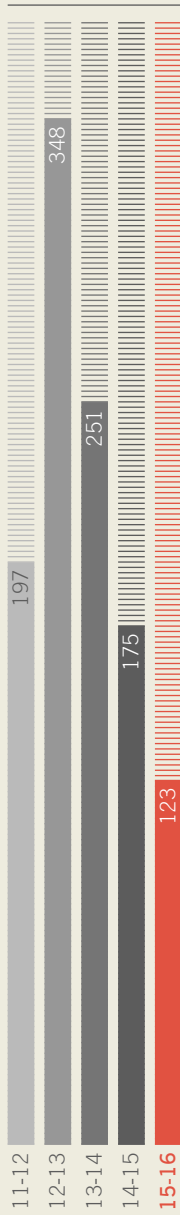
## INTEREST COVER (times)



... THAT STRENGTHENED OUR FINANCIALS...

## CASH PROFIT

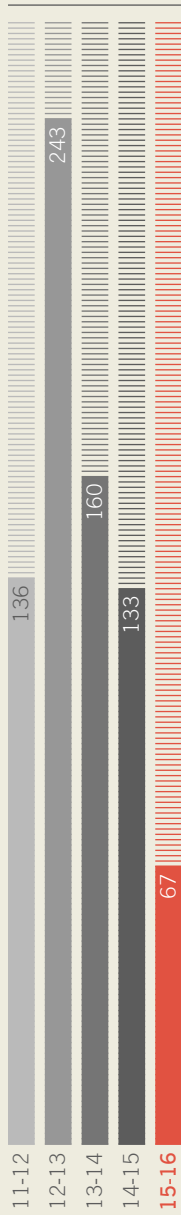
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...AND HELPED REPORT A SURPLUS...

## POST-TAX PROFIT

(₹ crores)



... THAT STRENGTHENED OUR POST-TAX PROFIT

## NETWORTH

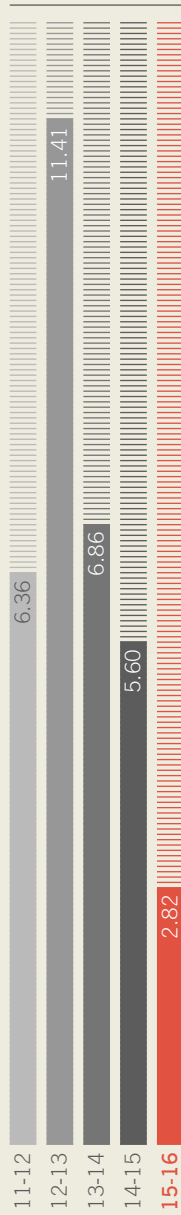
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... THAT STRENGTHENED OUR BALANCE SHEET ...

## EARNINGS PER SHARE

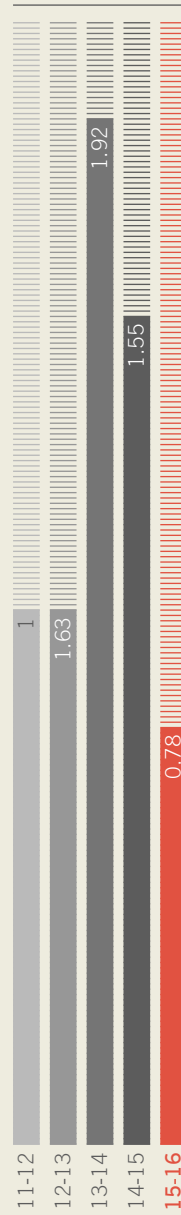
(₹)



...AND HELPED REPORT REASONABLE EARNINGS...

## DIVIDEND PER SHARE

(₹)



... LEADING TO CONSISTENT SHAREHOLDER REWARD...

## BOOK VALUE PER SHARE

(₹)



...AND CREATED ROBUST FUNDAMENTALS



CHAIRMAN'S STATEMENT

# INFLECTION 2016

## THE MOST FUNDAMENTAL CHANGE PROPOSED BY REAL ESTATE REGULATORY AUTHORITY IS ENHANCED TRANSPARENCY IN AN OPAQUE SECTOR.

### AT PURAVANKARA, WE BUILT OUR MULTI-DECADE BUSINESS AROUND BRICK, MORTAR AND TRANSPARENCY WHICH MAKES US THE RIGHT COMPANY IN THE RIGHT PLACE AT THE RIGHT TIME.

DEAR SHAREHOLDERS,

It is an exciting time in India's real estate development sector.

This excitement revolves around the introduction of RERA, which promises to be the single biggest reform ever in India's real estate space. The introduction of RERA prompts the observation that across the foreseeable future, the history of India's real estate development sector will be defined by this watershed development – pre-RERA for everything that transpired before 2017 and post-RERA for whatever transpires thereafter.

RERA promises to transform the face of India's real estate development sector in various ways.

**One**, following the introduction of RERA, the dispute resolution mechanism between various real estate participants will be heard by a Real Estate Appellate Tribunal, a dedicated authority. All related litigations across consumer forums will be transferred to this Tribunal; this Tribunal will be empowered to appoint adjudicators; all disputes would have to be compulsorily resolved within 60 days.

The result is that years of protracted delays in arriving at a solution will shrink to a couple of months at most, creating a pool of governing precedents that could reinforce industry best practices.

**Two**, real estate developers will need to share every inch of detail about their proposed offerings (uploaded on the RERA site), applicable to projects located on

500 sq. m or comprising more than eight or more apartments - virtually every real estate offering in the country. Following scrutiny (with the possibility of a number of project details referred back to the builder) and sanction, RERA will provide each project with a unique registration code representing license for the builder to commence work.

The result is without the issue of this critical registration number, the builder will neither be able to place a brick onsite nor advertise, effectively permitting only quality projects into the marketplace.

**Three**, even as a developer markets an under-construction property, 70% of sales proceeds would need to be vested in an escrow account for identified project use.

The result is that the statute will effectively address all delays arising out of financial indiscipline and the diversion of process to unrelated businesses, projects or land banking.

**Four**, the builder will need to faithfully adhere to the sanctioned blueprint in all respects; the contract between customer and builder will carry a five-year warranty against structural damage.

The result is that quality, accountability will be the defining attribute around which new generation real estate development companies will be built.



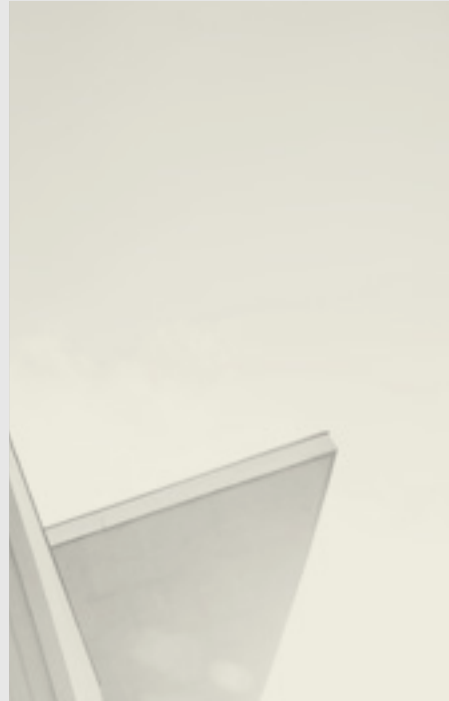
Five, RERA will address the entire real estate ecosystem, holding real estate marketing agents accountable for deliveries against promises, and even customers if they fail to pay on schedule.

The result is that RERA penalties and consequences will eject the inefficient / non-compliant from the market and enhance consolidation in the real estate sector.

I am pleased to state that Puravankara is almost completely RERA-compliant through enduring best practices.

We refrain from promoting or advertising our project unless all approvals have been obtained.

Our disciplined cash flow management ensures that our projects are completed on schedule leaving enough surplus to be reinvested into our land bank. We have been generating project surplus continuously to ensure customer interests are kept in mind which is the essence of RERA.



Our Puravankara brand stands for construction quality.

Our prudent use of best resources – people or material – have graduated our Puravankara and Provident brands to quality, durability and smart space utilization benchmarks.

Since India's realty industry is always high on public consciousness and fulfills a fundamental need – home ownership - RERA will enhance accountability and celebrate brands that respect letter and spirit.

.....  
 I am proud that Puravankara is one of them.  
 .....



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# BUILDING PLATFORMS

Puravankara stands for sustainability in predictability. 31 of every 100 Indians are urban. When you put the numbers together, India has a larger urban population (377 million) than the entire population of the US (314 million).

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**H**ERE comes the clincher. Urban India is estimated to grow to 590 million across around 60 cities (42 currently) by 2030. Besides, India has the world's largest rural population (857 million) feeding its migration pipeline.\*

The message is that our cities need to be prepared to address the migration tsunami.

Puravankara Projects established its Provident brand around the concept of affordable positioning to address this emerging reality.

This is not concept; it is reality.

In just eight years, Provident delivered 6.75 mn sq. ft across Bengaluru and Chennai, and will be increasing it to 10.3 mn sq. ft by the next fiscal, which includes cities like Coimbatore and Mangaluru in addition to Bengaluru and Chennai. Provident's turnover grew at a respectable CAGR of 67%; 2015-16 revenues of ₹429 crores were 23% higher than the previous year; Provident's contribution to the consolidated corporate bottomline will be around 40-50% in the coming years

Puravankara Projects directed its enduring Puravankara brand at the luxury end. The brand invested in best practices like sales commencement following the receipt of approvals, use of credible resource brands, extensive checks, trained manpower and proactive construction technology investments.

Two brands. Singular objective. Deliver and delight.

**We built. We protected.**

\*Source: EY-FICCI report





23

Percentage growth in Provident Housing's revenues in 2015-16 over the previous financial year.





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# PROTECTING VALUE

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At Puravankara, we recognize that building is one thing. Protecting the other. This ensures that we not only ride the short-term; it ensures that we protect what we create across the long-term.

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# 0.82

Our net debt-equity ratio as on 31 March 2016, one of the lowest in the Indian real estate industry.

**W**E enjoy a credible track record in having done exactly this. We invest in land to develop, not trade.

Result: This has empowered us to secure our prospects across 84.08 mn sq. ft (as on 31 March 2016) acquired at a historically low FSI cost.

We focus on accrual- and customer advance-based growth, not just revenue maximization.

The result: we have protected our Balance Sheet with one of the most attractive sectoral net debt-equity ratios (0.82 as on 31 March 2016).

We focused on cash flows, not merely profits.

The result: we possessed ₹292 crores in cash balance (as on 31 March 2016).

We focused on enhancing our business quality, not just chasing volumes.

The result: our bankers continue to provide us with debt at a cost reflecting the current interest rate environment.

**We built. We protected.**



ASHISH RAVI PURAVANKARA, MANAGING DIRECTOR,  
PURAVANKARA PROJECTS LIMITED

**FOLLOWING RERA, THE MARKET WILL PLACE  
A PREMIUM ON PLAYERS WITH LONG-TERM  
SUSTAINABILITY OVER SHORT-TERM  
OPPORTUNISM.**

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## THE REAL ESTATE ACT, 2016 AND RERA ARE JUST WHAT THE INDIAN REAL ESTATE DEVELOPMENT INDUSTRY NEEDED — FOR GOOD REASONS.

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**An** estimated 70% of all home buyers in India (buying properties in excess of ₹85 lakhs) seek mortgage; the corresponding figure in the affordable premium segment (buying properties of about ₹24-50 lakhs) is 30%.

**When** a buyer is investing her savings and funding the rest of the apartment through mortgage, the buyer needs to trust. Trust that the real estate brand will deliver right and deliver on time. Any delay in delivery means that the buyer will need to pay rent on her apartment and interest on the mortgage amount, potentially eroding her savings.

**In** view of this, Puravankara welcomes any regulation that

makes timely delivery the cornerstone of sectoral existence. When what we have unfailingly practiced over the decades becomes the norm, it will enhance sectoral leadership, strengthen the brand and evolve our stand into a benchmark.

**Besides**, the new order stipulates that a project can only be marketed following the receipt of all statutory approvals. For decades, Puravankara has done precisely this because we believed that this was the right thing to do without corresponding reward. In the new age, this discipline will be rewarded in a different way; the weaker companies lacking systemic discipline could well be forced out of business.

**The** result of the enhanced regulation could be slower property launches and rising prices, strengthening viability for organized and professional players. In turn, stronger industry margins and escrow discipline would make bank lending safer, enhancing the overall credit rating of the sector, kickstarting a virtuous cycle of lower coupon rates, lower property prices, quicker offtake and a broader sector.

**At** Puravankara, we dream of the day when every India owns a home. RERA will soon make it happen!

. . .





NANI CHOKSEY, JOINT MANAGING DIRECTOR,  
PURAVANKARA PROJECTS LIMITED

**RERA WILL ACCELERATE PURAVANKARA'S  
EVOLUTION FROM PROPERTY DEVELOPMENT  
TO CUSTOMER RELATIONSHIP  
MANAGEMENT.**

. . .

## THE REAL ESTATE (REGULATION AND DEVELOPMENT) ACT, 2016, WAS PASSED IN BOTH HOUSES OF PARLIAMENT IN MARCH 2016 AND GIVEN ASSENT BY THE PRESIDENT OF INDIA EVEN AS IT MAY TAKE A YEAR FOR IMPLEMENTATION.

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The Ministry of Housing & Urban Poverty Alleviation notified 69 of the Act's 92 sections that came into force from 1 May 2016. Rules for implementing the provisions of the Act need to be formulated by the Central and State governments within six months (3 October 2016) as indicated under Section 84 of the Act.

The Housing Ministry will formulate the rules for Union Territories; the Ministry Of Urban Development will do so for Delhi. According to Section 20 of the Act, state governments need to establish regulatory authorities within a year of the law coming into force. These authorities will adjudicate on complaints of buyers and developers within 60 days.

The state governments will need to frame rules for the Act and constitute the Real Estate Regulatory Authority (RERA),

the regulatory body with which developers will need to register their proposed projects.

The notification of the Real Estate (Regulation & Development) Act, 2016 is a landmark. When states form the real estate regulatory authority (RERA) and Appellate Tribunal, the result will be enhanced transparency and accountability in a sector marked by a longstanding trust-deficit.

The biggest impact of the Act will be on project tenure. It is open knowledge that after a land has been acquired, it takes a few years to launch a project, the delay alone increasing land cost by 24-30%, making the property expensive for customers. It is our conviction that a single-window project clearance will become a reality and could lead to time-bound approvals. Besides, business ease will increase following the Ministry of Urban Development's decision to provide

all approvals online; public access to online status will enhance accountability.

The Act will protect the rights of homebuyers. Builders will need to allocate 70% of sale proceeds for focused project allocation; delays will need to be compensated. Any officer can be appointed as the Interim Regulatory Authority. The other sections to be notified relate to the functions and duties of promoters, rights and duties of allottees, prior registration of real estate projects with the regulatory authorities, recovery of interest on penalties, enforcement of orders, offences, penalties and adjudication.

The bottomline is that a customer-driven Puravankara will leverage the emerging reality to strengthen its customer relationship management commitment even further and emerge as a quality real estate development enterprise.

### WHAT THE REAL ESTATE ACT MEANS FOR CONSUMERS AND DEVELOPERS

**Make** it mandatory for real estate developers and agents to disclose all project details

**Make** it necessary for every state to commission a regulatory

authority for dispute resolution within 60 days

**Make** it mandatory for no pre-launch to be permitted without approvals

**Make** it binding for promoters to be imprisoned for up to three years and for real estate agents up to one year in the event of order violation

**Make** builders liable for structural defects for a period of five years (two years presently)

**Make** builders pay 18% penalty in the event of delayed possession; make buyers pay a similar penalty in the event of delayed payment

**Make** it mandatory for developers to set aside as much as 70% of the total project cost in an escrow account

**Make** it necessary for projects of at least 500 sq. m or with a minimum of eight apartments to be registered with the real estate regulator

. . .



JACKBASTIAN K. NAZARETH, CHIEF DEVELOPMENT OFFICER,  
PURAVANKARA PROJECTS LIMITED

**PURAVANKARA IS LEVERAGING ITS DEEP  
EXECUTION COMPETENCE TO CAPITALIZE  
ON ATTRACTIVE POST-RERA  
OPPORTUNITIES.**

■ ■ ■

## QUESTIONS ANSWERED

**Q. When do you expect the general economic environment to boost property sales?**

This is difficult to estimate though there are indications that only quality residential supply will be permitted to come to the market after RERA becomes a reality in May 2017. I believe that this will be the trigger for a full-fledged demand revival.

**Besides**, one cannot get away from the reality that India is running a deficit of about 19 million housing units and as this plays catch-up, even as the government has announced the ambitious 'Housing for all by 2022' initiative, there will be attractive long-term prospects for companies addressing the premium and premium affordable segments (Puravankara and Provident brands).

**There** is a stronger macro reality at play. India's incomes are rising and interest rates declining (RBI cut the repo rate by 0.25% to 6.50% in its policy review meet in April 2016 with the forecast of an accommodative policy).

**Q. What were some of the key Puravankara developments during the year?**

We ended 2015-16 with sales of 1.90 mn sq. ft. (0.84 mn sq. ft

for Puravankara and 1.06 mn sq. ft for Provident) which included a new city launch in Hyderabad, Provident Kenworth.

**We** had targeted deliveries of 5.92 mn sq. ft sales for the fiscal ended March 2016 of which we had already delivered 2.83 mn sq. ft. On the deliveries of the balance 3.09 mn sq. ft, we have applied for the completion and/ or occupancy certificates to the authorities and we expect this to be received within the next few months. We are also targeting to deliver 6.55 mn sq. ft in 2016-17 – 4.07 mn sq. ft for Puravankara and 2.48 mn sq. ft for Provident.

**By** the close of 2016-17, we estimate to achieve 36.87 mn sq. ft in aggregate sales since inception across the brands having about 28,000 apartments, making us one of the largest pure-play residential real estate developers in India.

**Q: Puravankara embarked on an organisational restructuring programme facilitated by McKinsey. What is the company's medium-term strategic vision?**

**Our** Vision 2020 indicates the need to increase our anytime execution bandwidth to about 55 mn sq. ft. Concurrently, we target annual sales of about 13.3 mn sq.

ft for any year. We intend to focus on five cities (Bengaluru, Chennai, Hyderabad, Pune and Mumbai).

**Besides**, we are strengthening processes and construction technologies. We are strengthening our large contemporary equipment fleet to accelerate project completion. We entered into long-term relationships with large equipment lessors. We are excited by automated precast technology (employed in building modern cities like Dubai) in key construction processes for lower costs, construction consistency and quicker completion.

**Q. What are your priorities for 2016-17?**

**We** plan to deliver 6.55 mn sq. ft in 2016-17, which means that we expect to bring about 3.45 mn sq. ft of fresh supply to the market - 2 mn sq. ft for the Puravankara brand and 1.45 mn sq. ft for Provident. We are hopeful of successfully marketing Purva Silver Sands, our first Pune project, around the right price and volume. We expect to enhance our RERA compliance to emerge stronger and sustainable. Overall, we expect to report higher volumes, revenues and profits from hereon.

### THE BENGALURU MARKET...

Attracting mature IT companies and start-ups

One of the very few cities globally where the population

has doubled in the last decade (12 mn)

Robust commercial space absorption at about 15 mn sq. ft. a year, among the highest in India

Every 180-220 sq. ft of commercial space absorption

in Bengaluru generates approximately 1,000 sq. ft of residential demand

An average selling price of about ₹6,000 a sq. ft makes Bengaluru affordable.

■ ■ ■



ASHISH RAVI PURAVANKARA  
PROVIDENT HOUSING LIMITED

**RERA IS A COMMITMENT TO DELIVER A  
PROPERTY ON SCHEDULE. PROVIDENT IS  
LEVERAGING TECHNOLOGY TO REINFORCE ITS  
EXECUTION FOCUS.**



. . .

**A 59 ACRE BENGALURU PROPERTY COMPRISING 5,952 HOMES.  
CONSISTENT APARTMENTS (TWO- AND THREE-BHK FORMATS) COMPRISING FITTED KITCHENS,  
LAWNS, WALKING TRACK AND CLUB HOUSE.  
EACH APARTMENT PRICED AFFORDABLY AROUND ₹35-50 LAKH.**

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**Normally**, such a vast project would perhaps have never been attempted on account of that one blocker standing between its blueprint and reality – the probable non-availability of around 2,000 workers to mix concrete, lay brickwork, plaster, paint and implement plumbing and electrical wiring.

**At** Provident Housing, we are addressing this challenge through the precast construction technology. In this technology, concrete slabs are manufactured around specifications, lifted by cranes and placed in position.

**The** result: each project phase, comprising about 1,000 apartments, is like to be completed in about 36 months even as a normal project would have taken anywhere between 15-24 months longer.

**At** Provident Housing, the precast technology will address a range of issues.

**One**, an impending labour shortage, largely on account of the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) that has shrunk the pipeline of migrant labourers.

**Two**, the country's labour laws prevent developers from employing a large number of workers on their books (resorting to contract hire instead).

**Three**, the relative under-skilling of workers leads to varying quality standards.

**Precast** technology addresses these issues.

**Provident** Sunworth, the 5,952-apartment Bengaluru project, engaged L&T as project partner with an onsite precast plant to manufacture concrete slabs. The site employs a mere 160 workers.

**Besides**, each Sunworth 'floorplate' comprises 244 elements (different kinds of walls in a room) manufactured at the

L&T plant across just five days and a floor in eight days; in the conventional process, one floor takes 12 days.

**Once** all slab elements are in place, they are transported, hauled by cranes and placed in slots to create apartment walls. Different concrete slabs are earmarked for the assigned slots; provisions are made for electrical fittings and windows. The result: a 12-storey tower was completed in a record 96 days; the conventional process would have taken 175 days.

**Once** the slabs are in place, painting commences without a need to plaster (since curing smoothens the wall surfaces), reducing process tenure by another week. Besides, concrete slabs enhance consistency.

**Provident** Sunworth had delivered 1,440 units from soft launch to March 2016. All apartments have been marketed; individual owners have already begun customising their apartments.

## THE PRODUCT BECAME POPULAR

The only blocker for the futuristic precast technology is the 14% excise duty on slabs when moved out of the manufacturing plant (unlike Sunworth where the factory was on-site and did

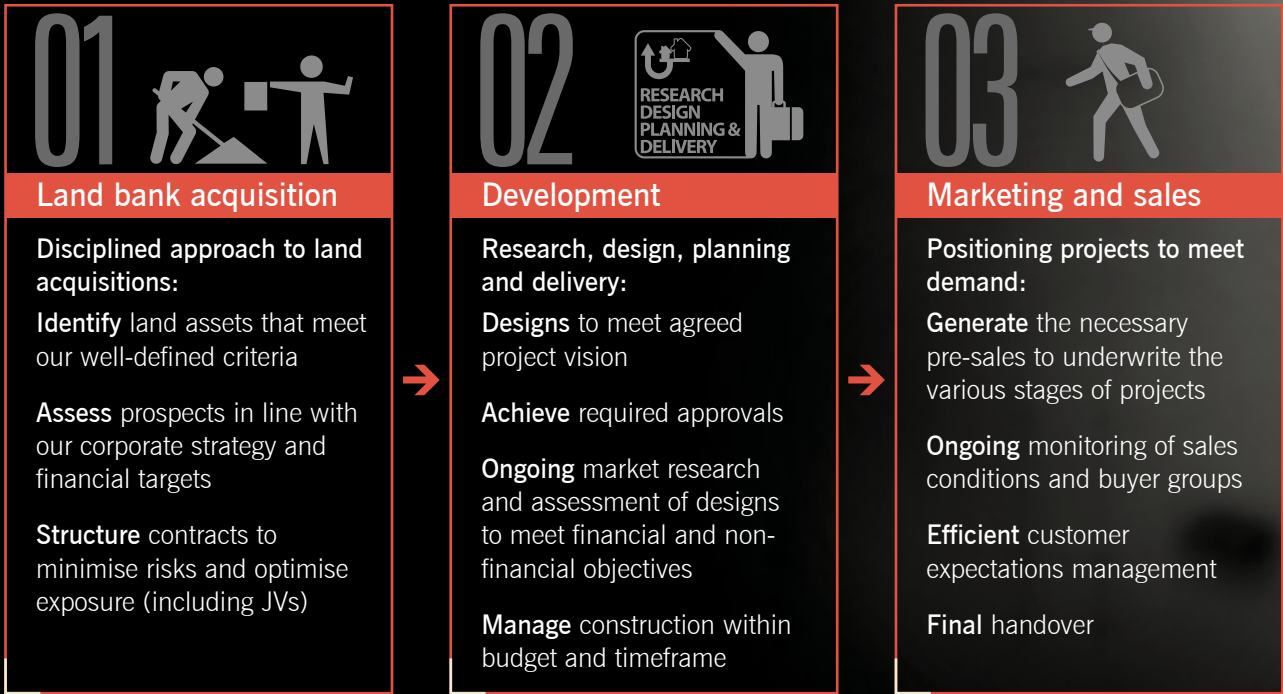
not attract excise duty). The industry hopes the government will address this issue, quite like it addressed duty withdrawal on ready-mix concrete when the product became popular.

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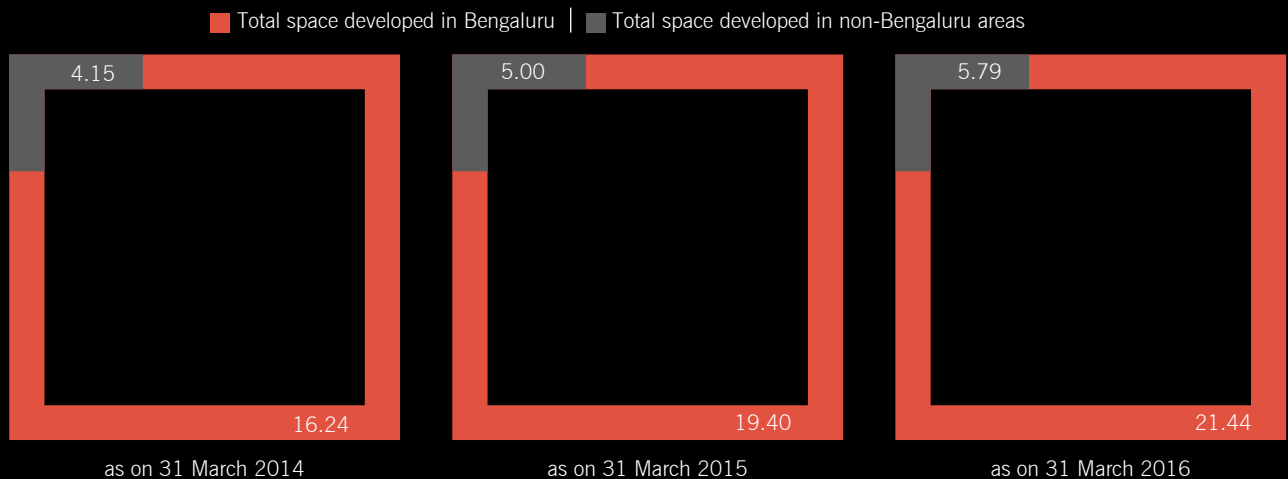


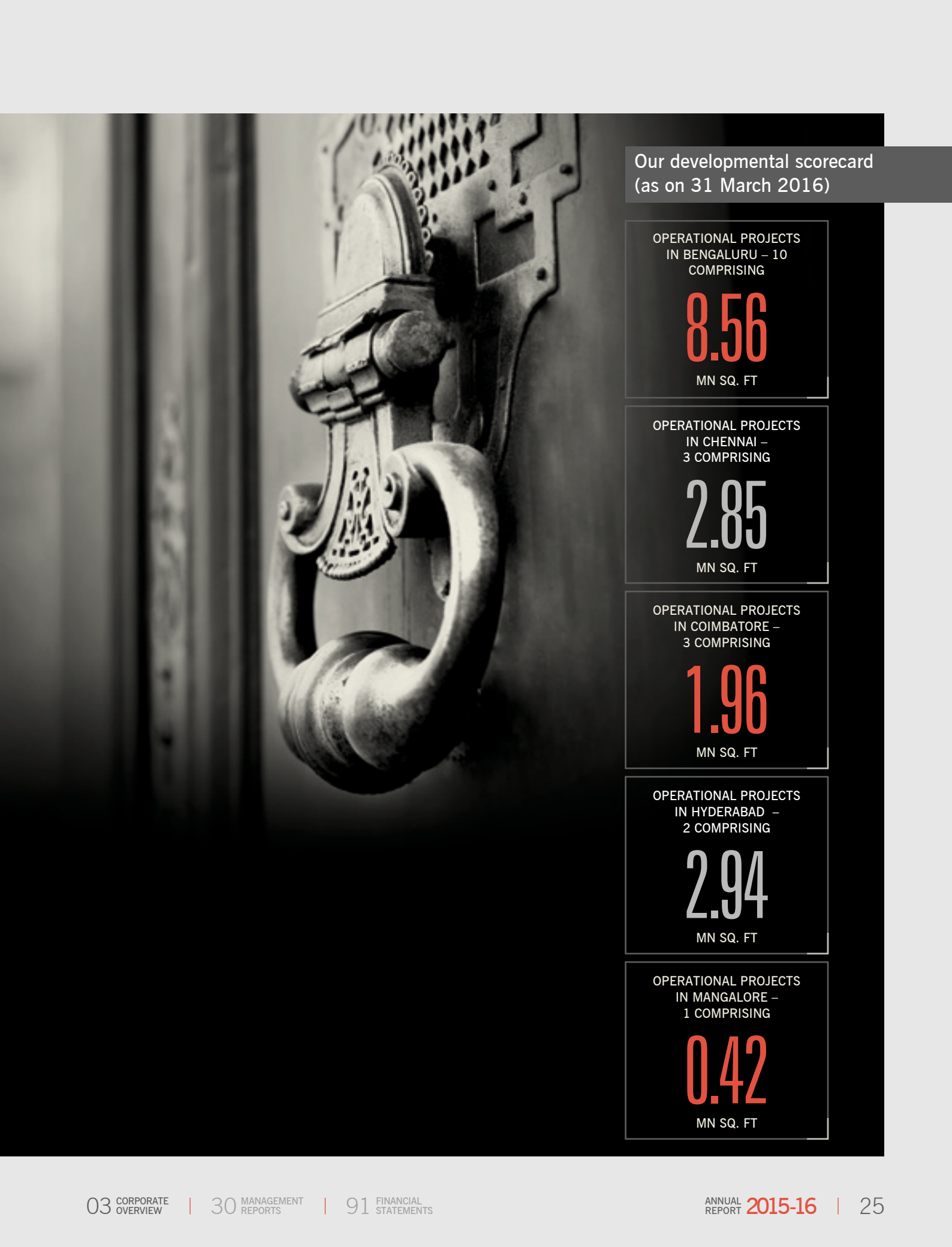
# OUR BUSINESS MODEL. STRUCTURED AND FLEXIBLE.

AT PURAVANKARA PROJECTS, OUR ASPIRATION IS TO DEVELOP A NATIONAL PORTFOLIO DIVERSIFIED BY GEOGRAPHY, PRODUCT TYPE AND PRICE POINT, ENHANCING BUSINESS SUSTAINABILITY ACROSS MARKET CYCLES.



## Our realty track record (mn sq. ft.)





Our developmental scorecard  
(as on 31 March 2016)

OPERATIONAL PROJECTS  
IN BENGALURU – 10  
COMPRISING

**8.56**

MN SQ. FT

OPERATIONAL PROJECTS  
IN CHENNAI –  
3 COMPRISING

**2.85**

MN SQ. FT

OPERATIONAL PROJECTS  
IN COIMBATORE –  
3 COMPRISING

**1.96**

MN SQ. FT

OPERATIONAL PROJECTS  
IN HYDERABAD –  
2 COMPRISING

**2.94**

MN SQ. FT

OPERATIONAL PROJECTS  
IN MANGALORE –  
1 COMPRISING

**0.42**

MN SQ. FT



HARI RAMAKRISHNAN, DEPUTY CFO,  
PURAVANKARA PROJECTS LIMITED

# REVIEW OF OUR FINANCIAL PERFORMANCE

WHILE THE YEAR GONE BY WAS CHALLENGING, WE EMBRACED A NUMBER OF PRUDENT STEPS TO ENSURE BUSINESS SUSTAINABILITY. THESE INITIATIVES WERE FOCUSED ON ENHANCING OUR CASH FLOWS AND PROTECTING CAPITAL WITHOUT ERODING SHAREHOLDER VALUE.

Our revenues stood at ₹1,568 crores for the fiscal 2016 as against ₹1,685 for fiscal 2015. We continued to increase our spends on construction activities in fiscal 2016, which ensured that our project deliveries were met, in addition to generating cash flows required for meeting our operational expenses.

Our capital expenditure strategy was prudent with new properties being tied-up to continue our business expansion through the joint development route, thereby allowing capital to be available for operations.

**Revenues and profit before tax:** We closed the revenues for fiscal 2016 at ₹1,568 crores, as against ₹1,685 crores for fiscal 2015. Puravankara and Provident contributed 66% and 27%, respectively, with the balance coming from other subsidiaries including accounting eliminations at the topline. Profit before tax stood at ₹107 crores and ₹155 crores for fiscal 2016 and 2015, respectively, with Puravankara and Provident contributing similar percentages to revenues. Your Company made only one launch in fiscal 2016 (Provident Kenworth) compared to two launches in fiscal 2015 (Purva Sound of Water and Provident Tree), leading to a lower topline. The Company invested in getting new projects to the launch stage; however, these witnessed delays due to various reasons. We expect revenues and profit before tax to go up

in the coming years, coinciding with an imminent improvement in the overall market sentiment, leading to higher absorption through new launches. Additionally, new sales from the new and existing projects, coupled with the completion of existing projects, will enable us to recognize revenues on the sold units, leading to healthy topline growth.

We are happy to inform that your Company entered the first time into Hyderabad with a residential project – Provident Kenworth in the last quarter of fiscal 2016. The launch was successful and we expect the project to contribute significantly to the topline.

While we continue to explore new opportunities, revenues from sales through these new launches will be in line with the guidance note on revenue recognition instituted by the Institute of Chartered Accountants of India, leading expenditure on period costs being ahead of the revenues from those projects in a few quarters in the coming years.

**EBITDA:** EBITDA for fiscal 2016 stood at ₹368 crores as against ₹395 crores, which demonstrated a marginal drop. This drop is temporary and attributable to both the macro and realty market environments that we witnessed over the last few quarters. In this muted environment, we undertook various initiatives in fiscal 2016 to continue our sales

momentum and ensure that there is no significant drop in EBITDA. Our continued focus on reducing costs including people, sales and marketing and other general overheads have also contributed to the EBITDA for fiscal 2016.

We will continue to adopt various strategies in the coming years as well to ensure our EBITDA is commensurate with the capital employed.

**Networth:** The Company's networth stood at ₹2,306 crores as at 31 March 2016 and has been growing consistently over the last few years. With the increase in sales and construction spends on the current ongoing projects, the intrinsic value of the Company will only continue to grow and this will be reflected in the financials in the coming years.

**Net debt:** The Company's net debt stood at ₹1,885 crores and the net debt-to-equity stood at 0.82. We are comfortable with the net-debt-to-equity ratio and this was achieved through various strategies including higher construction spends on projects, securing new lands through the joint development route involving low capital, reduction of operating expenses and such other measures. This prudence has helped the Company show its strength during a tough market environment and we will continue with this practice in the coming years.

**Deliveries and new launches:**

We completed the committed deliveries of 5.92 mn sq. ft for fiscal 2016 of which we have received the occupancy/completion certificates for 3.09 mn sq. ft during the first quarter of fiscal 2017. We are well-poised to complete another 6.55 mn sq. ft of deliveries for fiscal 2017, spread across the cities of Bengaluru and Coimbatore, and our focus will be towards completing the said projects in addition to the spends on the other projects.

We have lined up an excellent launch pipeline across the cities of Mumbai, Bengaluru, Chennai, Pune and Kochi spread over fiscals 2017 and 2018 and we have readied ourselves to capitalize on the demand once the market sentiment improves. The deliveries and the new launches will add value to the topline and bottomline, going into the future.

**SOMETHING INTERESTING!**

Between our Provident and Puravankara residential brands, our price range straddles from ₹2,600-8,000 per sq. ft, encompassing an extensive value chain!

# AT THE HELM



**RAVI PURAVANKARA**  
*Chairman*

**Mr.** Ravi Puravankara is the founder Chairman of Puravankara Group, a leading Real Estate business conglomerate with interests in luxury housing, premium affordable housing, construction and commercial segments. Since inception in 1975, Mr. Ravi Puravankara has established the Puravankara Group as a key Real Estate player with increasing presence in the metropolitan cities of Bengaluru, Kochi, Chennai, Coimbatore, Mysore, Kolkata, Pune and overseas in Sri Lanka and the United Arab Emirates.

**Recognizing** India's huge growth potential in the mid income segment and the need for affordable housing, Mr. Puravankara pioneered to realize this vision by setting up Provident Housing Limited in 2009. He has the distinction of being the first to obtain Foreign Direct Investment in the Indian real estate industry, through its joint venture with Singapore based Keppel Land Limited.

**Mr.** Puravankara revolutionized Community Living, with theme based projects, world class landscaping and amenities, to create unique landmarks of the highest standards of quality and customer delight. With the launch of the very first large Club House project "Purva Park" in Bangalore, the Puravankara Group set a bench mark in the Real Estate sector.

**Driven** by his core values of Learn, Care and Deliver, Mr. Puravankara has built an Institution over the last 40 years of Business Excellence. He has successfully established companies like Puravankara and Provident Housing in the Real Estate sector and Star Worth Infrastructure & Construction Limited, in the Infrastructure & Construction sector.

**Mr.** Puravankara has been recognized for his dynamism, leadership and outstanding brilliance and was conferred upon the "Transformational Leadership Award" at the 2013 NDTV Property Awards. Apart from numerous other awards and public recognitions throughout his career, he has also received the "Lifetime Achievers Awards for Outstanding Contribution to the Real-Estate Sector" at the 2013 CMO Asia Awards for Retail Excellence.



**ASHISH RAVI PURAVANKARA**  
*Managing Director*

**Mr.** Ashish Ravi Puravankara is the 37-year-old Managing Director

of the Puravankara Group. Since joining the company in 2000, he has played a pivotal role in its growth. His strong entrepreneurial skills are being leveraged in strategy formulation, operations, financial management and enterprise development.

**Ashish** is responsible for establishing Provident Housing Limited, a wholly-owned subsidiary which targets middle-income consumers with affordable homes of premium quality. He is also instrumental in implementing best practices in construction with a focus on reducing project delivery time. Ashish is at the forefront of the organization's initiative to expand into newer geographies and consolidate its growth strategy.

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**NANI R. CHOKSEY**  
*Joint Managing Director*

**Mr.** Nani R. Choksey has over 42 years of experience in the real estate development, construction and finance sectors. He has been associated with our Group since its inception in 1975. He is a Joint Managing Director and played a pivotal role in the growth of the Company. He has been actively involved in all projects of our Company.

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**R.V.S. RAO**  
*Independent Director*

**Mr.** R.V.S. Rao holds a Bachelor's degree in Commerce from the Mysore University and a Bachelor's degree in Law from the Bangalore University. He has completed Master Class for director conducted in association with World Council for Corporate Governance, London. He has over 40 years of experience in the fields of banking and finance. He has been a Director of HDFC Limited. As a USAID consultant, he was the team leader that reviewed operations and made recommendations for Housing Finance Company, Ghana. He was also the team leader of the consultancy team which advised the National Development Bank of Sri Lanka in establishing its mortgage finance business. He is an associate of Indian Institute of Bankers, Mumbai, a life member of All India Management Association, New Delhi, was an executive committee member of Bangalore Management Association and the Greater Mysore Chamber of Industry. He has been a Director on our Board since 26 December 2006.

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**PRADEEP GUHA**  
*Independent Director*

**Mr.** Pradeep Guha holds a Bachelor's degree in Arts from Mumbai University and a Management Diploma from Asian Institute of Management, Manila. He has over 37 years of experience in the fields of media, advertising, marketing and branding. He has recently finished a very successful stint as the CEO of Zee Entertainment Enterprises Ltd. During his tenure, Zee has reclaimed its erstwhile position of prominence in the Indian television arena. He has been associated with the print medium for 29 years and was the President of The Times of India Group, as well as on its Board of Directors. He is the Vice-President and Area Director of International Advertising Association, Asia Pacific region. He is the official representative to the Asian Federation of Advertising Associations and is the current Vice Chairman of the Federation. He is a past President of the Indian Newspaper Society, ex-Chairman of the National Readership Studies Council, past President of the Advertising Club Bombay and the first Chairman of the Broadcast Audience Research Council. He has been a director on our Board since 26 December 2006.

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**DR. SUCHITRA KAUL MISRA**  
*Independent Director*

**Dr.** Suchitra Kaul Misra is a Doctor of Philosophy from Mysore University. She did her Bachelor of Arts with English Honors from Nowrosjee Wadia College, Pune. She was elected as the Students' Representative of Council from Pune University and later awarded the National Merit Scholarship for post-graduation. She topped her Masters of Arts with 2 gold medals from Lucknow University.

**Since** 2000, she has also been active in the Corporate and Social Service sectors. A self-motivated entrepreneur, she is the founder director and promoter of a NBFC called Shabri Investments Private Limited and partner in TTT Hospitality Services Private Limited. She is on the board of 2 Public Limited Health Care companies and holds Creative Wellness Workshops for a spectrum of groups, individuals and Corporates.

**Dr.** Suchitra Kaul Misra is also the founder trustee of 'Svavlamban Trust' which is engaged since 2005 in providing educational aids to poor students to make them self-reliant.

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Dear shareholders,

Your Directors have the pleasure of presenting the thirtieth Annual Report on the business and operations of the Company together with the audited results for the financial year ended March 31, 2016.

Particulars	Standalone		Consolidated	
	Fiscal 2016 ₹ crore	Fiscal 2015 ₹ crore	Fiscal 2016 ₹ crore	Fiscal 2015 ₹ crore
Total income	983.49	1,201.99	1550.70	1,672.34
Profit before tax	94.66	77.17	107.61	159.82
Net profit for the year	77.49	85.33	66.81	132.73

### FINANCIAL PERFORMANCE

The standalone revenues of the Company stood at ₹983.49 crore compared to ₹1,201.99 crore in the previous fiscal, showing a decrease of 18.18%. Profit after tax stood at ₹77.49 crore compared to ₹85.33 crore in the previous fiscal, showing a decrease of 9.19%.

The consolidated revenues of the Company stood at ₹1,550.70 crore compared to ₹1,672.34 crore in the previous fiscal, showing a decrease of 7.27%. Profit after tax stood at ₹66.81 crore compared to ₹132.73 crore in the previous fiscal, showing a decrease of 49.66%.

### DIVIDEND

Your Board approved a dividend policy for the Company at its meeting held on August 6, 2013. The said dividend policy indicate that the Company will endeavour to pay 33.33% of the PAT (Profit after Tax) earned by the Company during each financial year, with regard to the business exigencies and general economic outlook for distribution as dividend to the shareholders, including dividend distribution tax and/ or such other taxes payable on dividend distributed.

In line with the aforesaid dividend policy, the Board had recommended a final dividend amounting to ₹0.782 (Rupees zero point seven eight two) per equity share (15.61%) on 237,149,686 equity shares of ₹5 each, for the financial year ended March 31, 2016, at its meeting held on May 27, 2016.

The Register of Members and Share Transfer Books will remain closed from September 20, 2016–September 27, 2016 (both days inclusive) for the purpose of payment of the final dividend for the financial year ended March 31, 2016. The AGM (Annual General Meeting) is scheduled to be held on September 27, 2016.

The total outflow on account of dividend would be as follows:

(₹ crore)

Particulars	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015
Dividend	18.50	36.76
DDT	3.77	7.48
Total	22.27	44.24

### TRANSFER TO RESERVES

The Board has decided to pay a dividend of ₹0.782 (Rupees zero point seven eight two only) per equity share (15.61%) for the financial year ended March 31, 2016. Pursuant to Section 123 of the Companies Act, 2013, no amount has been transferred to the General Reserve.

### DETAILS OF ADEQUACY OF IFC (INTERNAL FINANCIAL CONTROLS)

Pursuant to Section 134(5) (e), your Company has a proper and adequate system of internal controls in place to ensure that all transactions are authorised, recorded and reported correctly, and assets are safeguarded and protected against loss from unauthorised use or disposition and smooth functioning of its business. The processes and the systems are reviewed constantly and changed to address the changing regulatory and business environment. The control systems provide a reasonable assurance of recording the transactions of its operations in all material aspects and of providing protection against misuse or loss of Company's assets. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls.

The ERP system which your Company had implemented has helped in further strengthening the IFC that are in place. The existing IFC and their adequacy are frequently reviewed and improved upon to meet the changing business environment. The internal auditors periodically review the internal control systems, policies and procedures for their adequacy, effectiveness, and continuous operation for addressing risk management and mitigation strategies.

### SHARE CAPITAL

The paid-up equity share capital stood at ₹118.58 crore as on March 31, 2016. There were no public issues, rights issues, bonus issues or preferential issues, etc during the year.

The Company has not issued any shares with differential voting rights, sweat equity shares nor has it granted any stock options.

### DEBENTURES

During the year, your Company has not issued any debentures and the total debentures outstanding as on the date of this report is ₹ Nil.

### FIXED DEPOSITS

During the year, your Company did not invite nor accept any fixed deposits from public and as such, there existed no outstanding principal or interest as on the Balance Sheet date.

### DIRECTORS AND KMP (KEY MANAGERIAL PERSONNEL)

Pursuant to Section 149(4) of the Companies Act, 2013, every listed company is required to have at least one-third of its directors to be independent directors. The Board has one half of its Directors in the category of independent directors in terms of Regulation 17 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Amendment Regulations, 2016

(hereinafter referred to as 'Listing Regulations'). Pursuant to Companies Act, 2013, at the AGM held on 22 September 2014, Mr. RVS Rao (DIN: 00061599) and Mr. Pradeep Guha (DIN: 00180427), the existing 'Non-Executive Independent Directors' (NEID) were appointed as Non-Executive Independent Directors by the shareholders for a period of five years (from 22 September 2014 to 21 September 2019) and remuneration (in the form of commission) to be paid as decided by the Board of Directors of the Company, subject to the limits as approved by them at the same AGM.

In terms of the provisions of the Companies Act, 2013 and the Regulation 17 of the Listing Regulations the Board shall be comprised with at least one woman director.

The Board appointed Mrs. Geetanjali Vikram Kirloskar (DIN:01191154) as an additional director in the capacity of Non-Executive Independent Director of the Company and the appointment was approved by the shareholders at the AGM held on September 24, 2015, for a tenure of five years.

Mrs. Geetanjali Vikram Kirloskar resigned w.e.f. the closing hours of December 22, 2015. The Board acknowledges the contributions made by Mrs. Geetanjali Vikram Kirloskar.

On the recommendation of the Nomination and Remuneration Committee, Dr. Suchitra Kaul Misra (DIN: 02254365) was appointed as Director in the capacity of Non-Executive Independent Director of the Company by the Board of Directors on March 21, 2016, subject to the approval of the shareholders at the forthcoming Annual General Meeting. Keeping in view the overall limit of five years (extendable by additional term of five more years) and subject to the approval of the shareholders, the term of proposed appointment would be up to March 20, 2021.

Necessary details have been annexed to the Notice of the meeting in line with the provisions of Section 102(1) of the Companies Act, 2013.

According to Section 149(13) of the Companies Act, 2013, the Independent Directors shall not be liable to retire by rotation.

All the continuing 'Non-Executive Independent Directors' have submitted the Declaration of Independence, pursuant to Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as per Section 149(6) of the said Act and Regulation 25 of the Listing Regulations.

With the proposed appointment of 'Non-Executive Independent Director', the conditions specified in the Act and the rules made thereunder and the Listing Regulations have been complied with.

The existing Whole-time Directors, Mr. Ravi Puravankara, Chairman, Mr. Ashish Ravi Puravankara, Managing Director, Mr. Nani R.Choksey, Joint Managing Director are liable to retire by rotation. In line with this requirement Mr. Nani R. Choksey, Joint Managing Director of the Company, is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible for reappointment offers himself for reappointment as a Director. The Board recommends his reappointment.

The criteria for performance evaluation of Independent Directors, Board, Committees and other individual Directors includes criteria for performance evaluation of the non-executive directors and executive directors. Pursuant to the provisions of Companies Act, 2013 and Regulation 25 of the Listing Regulations, the Board has carried out annual performance evaluation of its own performance, the directors individually.

Details of Directors seeking appointment/ reappointment at the Annual General Meeting (pursuant to Regulation 36 of the Listing Regulations), forms part of the Notice of the Annual General Meeting.

Mr. Hari Ramakrishnan, Chief Financial Officer, continues to remain in office.

Mr. V. Ravi Kumar Reddy, Company Secretary and Compliance officer resigned w.e.f. May 2, 2016. Your Directors place on record their appreciation of the valuable contribution made to the Company by the Company Secretary.

On the recommendation of the Nomination and Remuneration Committee and pursuant to section 203 of the Companies Act, 2013, Ms. Bindu D. has been appointed as Company Secretary w.e.f. May 27, 2016. Ms. Bindu D. has been appointed as Compliance Officer of the Company under Listing Regulations w.e.f. the same date.

Of the senior management personnel, Mr. Jackbastian K. Nazareth, Chief Development Officer, resigned w.e.f. June 1, 2016. Your Directors place on record their sincere appreciation for all his efforts and tremendous contribution made to the Company by the Chief Development Officer.

### MEETINGS OF THE BOARD

Four meetings of the Board of Directors were held during the year in line with the requirement under the Listing Regulations and the interval between any two meetings did not exceed 120 days. For further details, please refer report on Corporate Governance forming part of this Annual Report.

### POLICIES

Policies as required to be formulated under the Listing Regulations have been adopted by the Company. The following policies have been placed on the website of your Company.

1. Code of conduct for prevention of insider trading
2. Code of practices and procedures for fair disclosure of UPSI (Unpublished Price Sensitive Information).
3. Policy for determining material subsidiaries
4. Policy on materiality of related party transactions
5. Policy for corporate social responsibility

6. Nomination and remuneration policy including criteria for making payment to Directors (Non-Executive and Executive) and senior management personnel.
7. Risk management policy

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors hereby confirm that:

- a) in preparation of the annual accounts the applicable accounting standards have been followed;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the year ended March 31, 2016 and of the profit of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the annual accounts of the Company have been prepared on a 'going concern' basis.
- e) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### DIRECTORS' REMUNERATION POLICY AND CRITERIA FOR MATTERS REQUIRED UNDER SECTION 178

The Board, as per the recommendation of the Nomination and Remuneration Committee, has framed a nomination and remuneration policy, providing (a) criteria for determining qualifications, positive attributes and independence of directors and (b) a policy on remuneration for directors, key managerial personnel and other employees. The detailed remuneration policy is placed on the Company's website: [www.puravankara.com](http://www.puravankara.com)

### FAMILIARISATION PROGRAMME

With a view to familiarise the Independent Directors with the Company's operations, as required under Listing Regulation 25(7), the Company has held various familiarisation programmes throughout the year on an ongoing basis. Some of the familiarisation programmes carried out during the year, include:

1. Various presentations made by business heads of the Company from time to time on different functions and areas.
2. Deliberations were held and presentations were made from time to time on major developments in the areas of the Companies Act, 2013, the Listing Regulations.

The details of the familiarisation programmes are also placed on the Company's website: [www.puravankara.com](http://www.puravankara.com)

## AUDITORS & AUDITORS' REPORT

M/s. Walker Chandiook & Co. LLP, (formerly Walker, Chandiook & Co), Chartered Accountants, (LLP Registration No. 001076N/N500013), Statutory Auditors of the Company hold office till the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. The Company has received from M/s. Walker Chandiook & Co. LLP, a consent letter to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3) (g) of the Companies Act, 2013.

The Consolidated Auditors' Report and the Standalone Auditors' Report to the shareholders for the year ended March 31, 2016, has a qualification in respect of internal financial controls over financial reporting.

## REPLY TO STATUTORY AUDITORS' QUALIFICATION

The Statutory Auditors' have stated an audit qualification in respect of internal financial controls over financial reporting.

The Board of Directors state that this 'qualification pertains to absence of specific vendor balance confirmation on the write back of creditor balances in the Profit and Loss Account as income. The Company is very clear that these balances are not payable and has carried these balances in the books of account for period in excess of five years post which it was decided to write back such amounts into the Profit and Loss Account. The impact of such write-back does not have any material impact on the financial results of your Company.'

## COST AUDITORS

The Board appointed M/s. GNV Associates, Cost Accountants; for conducting the audit of cost records of the Company for the financial year 2015-16.

## SECRETARIAL AUDIT

The Board appointed M/s JKS & Co., Company Secretaries to conduct the secretarial audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 is attached herewith marked as *Annexure I* to this Report. In connection with the exception in the Secretarial Audit Report, the Board of Directors state that the inconsistency in the e-forms have occurred on account of instances of technical limitation in the e-form and the Company will ensure consistency in filing. Regarding the printing of advertisement in vernacular language, the Board has taken note of the matter and will henceforth ensure the same.

## PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Particulars of loans given, investments made, guarantees given and securities provided are disclosed in Note 11 and 14 to the standalone financial statement of the Company.

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company did not enter into any contracts/arrangements/transactions

with related parties which could be considered material in accordance with the Company's policy pertaining to the materiality of related party transactions.

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website [www.puravankara.com](http://www.puravankara.com)

The details of the related party transactions are attached herewith as *Annexure II* Form AOC-2

## CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-23 on Accounting for Investments in Associates, Regulation 33 of the Listing Regulations, the audited Consolidated Financial Statements forms part of this Annual Report. Your Company is prepared to adapt itself in line with the new accounting standards issued by the Institute of Chartered Accountants of India ('ICAI') 'Ind-AS' and will be presenting the financial statements commencing for all periods on or after April 1, 2016 as per the new formats and guidelines issued by ICAI.

## SUBSIDIARIES

The Company has in all 24 subsidiary companies (including a step-down subsidiary in Sri Lanka) out of which 20 companies are in India and four are abroad. Of these, Provident Housing Ltd., an unlisted Indian Company is a material subsidiary as defined under the Listing Regulations. Pune Projects LLP is a subsidiary on account of substantial control by the Company arising out of other than economic interest.

Pursuant to Regulation 24 of the Listing Regulations, an Independent Director on the Board of the Company shall be a Director on the Board of Directors of an unlisted material subsidiary. Mr. RVS Rao and Mr. Pradeep Guha, Independent Directors on the Board of the Company are also members of the Board of Provident Housing Ltd., which is an unlisted material subsidiary. The Audit Committee of the Company reviews the financial statements of Provident Housing Ltd. and its minutes are placed before the Board of Directors of the Company.

Purva Good Earth Properties Private Limited has ceased as subsidiary of the Company w.e.f. April 6, 2015 and it is a step-down subsidiary of the Company as it is a wholly-owned subsidiary of Provident Housing Limited which has acquired 10,000 equity shares (i.e. 100% of paid-up capital) of Purva Good Earth Properties Private Limited. Also Provident Housing Limited has invested in 38,62,500 Optionally Convertible Debentures of ₹100 each .

During the year, the following four wholly-owned subsidiary companies were incorporated:

- Jaganmata Property Developers Private Limited
- Jyothishmati Business Centers Private Limited
- Vagishwari Land Developers Private Limited
- Varishtha Property Developers Private Limited

Details of companies which became/ceased to be Company's subsidiaries, joint ventures or associate companies are specified in *Annexure III*.

## STATEMENT RELATING TO SUBSIDIARIES AND THEIR FINANCIAL STATEMENTS

Information regarding each subsidiary pertaining to capital, reserves, total assets, total liabilities, details of investment, turnover, profit before taxation, provision for taxation, profit after taxation/loss and proposed dividend are attached herewith as *Annexure IV* (i.e. Form AOC-1).

Your Directors hereby inform you that the audited annual accounts and related information of the subsidiaries will be available for inspection on any working day during business hours at the registered office of the Company.

In accordance with the provisions of Sections 136 of the Companies Act, 2013, the annual financial statements and the related documents of the subsidiary companies of the company are placed on the Company's website: [www.puravankara.com](http://www.puravankara.com)

## MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of this Report.

## ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

Information in accordance with the provisions of Section 134(3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo:

*Technology absorption:* Your Company firmly believes that adoption and use of technology is a fundamental business requirement for carrying out business effectively and efficiently. While the industry is labor intensive, we believe that mechanisation of development through technological innovations is the way to address the huge demand supply gap in the industry. We are constantly upgrading our technology to reduce costs and achieve economies of scale.

We have also invested in automating our processes to accelerate the decision making process and have implemented Ramco ERP software during the year for the entire group. We intend to continue this process of investment as the business requirements arise.

*Energy:* The Company is in the business of property development and does not require large quantities of energy. However, wherever possible energy saving measures are undertaken across all our projects.

*Foreign exchange:* Foreign exchange earned during the year ended March 31, 2016 stood at ₹3.77 crore while the expenditure stood at ₹6.69 crore.

## RISK MANAGEMENT POLICY

Information on the development and implementation of a risk management policy for the Company including identification therein of elements of risk which in the opinion of the Board may threaten the existence of the Company is given in the Corporate Governance Report.

## CORPORATE SOCIAL RESPONSIBILITY

Puravankara Projects Limited had commitment to invest in social causes

even before the same was made mandatory under the Companies Act 2013. Our CSR initiatives have focused on improving civic amenities, promoting interest in arts and sports apart from sponsoring education to the needy. Efforts include the development and maintenance of roads, parks, fire station and a war memorial apart from supporting schools and crèches for the children of unskilled labourers as well as support to old-age homes.

## CONSTITUTION OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

According to Section 135 of the Companies Act, 2013 read together with Companies (Corporate Social Responsibility Policy) Rules, 2014 and revised Schedule VII to the said Act which came into effect from 1 April 2014, all companies having net worth of ₹500 crore or more, or turnover of ₹1,000 crore or more or a net profit of ₹5 crore or more during any financial year are required to constitute a Corporate Social Responsibility (CSR) Committee of the Board of Directors comprising three or more directors, with at least one of them being an independent director. The Company has complied with the requirement.

## CSR ACTIVITIES

Puravankara is firmly committed to drive change towards sustainability through strategic CSR initiatives. The Group's main focus is to leverage the existing capabilities and expertise of the organisation to create viable impact in the community. The initiatives driven by the Group are in the sphere of education, health and safety, arts, civic amenities as well as environment.

With a growing focus on the issues on global warming, the Group has consciously undertaken of environment management measures and is nurturing and maintaining several parks/medians/nature strips around Bangalore. Puravankara is committed to a greener and healthier tomorrow. The public amenities maintained by the Group are the Kamaraj Road Median, Anil Kumble Circle, Cubbon Road Median, Indian Express Median in front of the Coffee Board, Marathalli Median, Domlur Park, War Memorial at Brigade Road Junction, Rest House Park.

One of the causes that the Group has been championing is allowing senior citizens to lead a life of dignity and comfort. Over the past several years Puravankara has been supporting a home for the aged run by the non-profit organisation, Little Sisters of the Poor. This is a charitable institution that provides shelter to the aged (65 years and above) irrespective of gender, caste, creed or religion, who are in need of care and concern. Puravankara intends to continue providing support to this home so they can continue their selfless noble work.

The Group has entered into an agreement with a Trust to promote education in the sphere of arts, especially theatre, dance and film making. The trust is managed by veteran artists and other renowned personalities who also organise international film festivals. The idea is to refurbish the theatre and the society building with latest technology to aid teaching and performance via social programmes. To promote and perpetuate the education of arts the Trust will collaborate with artists and also by encouraging the civic participation of individuals, both of which have a unique role to play in community development.

In association with various voluntary organisations, support was

provided to a number of children of unskilled labourers at our project sites. At one site we continue to run a school for such children, where basic education is imparted along with a midday meal. Puravankara is committed to providing education and also a safe working environment especially to mothers with small children.

Furthermore, to combat the effects of natural disasters, Puravankara has joined hands with the government by contributing to the Prime Minister's Relief Funds and similar other funds for disaster relief and rural development.

The Annual report on CSR activities is attached herewith as *Annexure V*.

### EXTRACT OF ANNUAL RETURN

The extract of annual return of the Company, pursuant to Section 92 of the Companies Act, 2013 is attached herewith in form MGT-9 as *Annexure VI* to this Report.

### PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The statement containing particulars of employees, including ratio of remuneration to directors, among others as required under Section 197(12) of the Companies Act, 2013, read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 are attached herewith as *Annexure VII* to this Report. However, having regard to the provisions of Section 136(1) of the Companies Act, 2013, the Annual Report excluding the particulars of employees as aforesaid is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such information may write to the Company Secretary at the registered office of the Company.

### CORPORATE GOVERNANCE

A separate section on Corporate Governance and a certificate from the Statutory Auditors of the Company regarding the compliance of the conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V of the Listing Regulations forms part of this Annual Report.

### MANAGEMENT DISCUSSION AND ANALYSIS

A separate section on management discussion and analysis as stipulated under Regulation 34 of the Listing Regulations forms part of this Annual Report.

### CREDIT RATING

The long-term rating of the Company as per ICRA was BBB with a stable outlook, in respect of the various fund and non-fund-based credit facilities totaling to ₹1,650 crore sanctioned to the Company and ₹500 crore for Provident Housing Limited. The rating has been issued by ICRA during March 2016 and will be reviewed by them on an ongoing basis.

### SHARES UNDER COMPULSORY DEMATERIALISATION

The Company's equity shares are compulsorily tradable in electronic form. As on 31 March 2016, 0.0002% of the Company's total paid-up equity capital representing 402 shares (six shareholders) is in physical form and the remaining shares namely 237,149,284 (99.9998%) are in electronic form. In view of the numerous advantages offered by the depository system, the members holding shares in physical form are advised to avail of the facility of de-materialisation.

Particulars	Number of shares	%
Demat	237,149,284	99.9998%
Physical	402	0.0002%
<b>Total</b>	<b>237,149,686</b>	<b>100%</b>

### INSIDER TRADING REGULATIONS

SEBI had brought in a new regulation named as SEBI (Prohibition of Insider Trading Regulation) 2015, in place of SEBI (Prohibition of Insider Trading Regulations), 1992. Pursuant to the new regulation, your Company has formulated a Code of Conduct for Prevention of Insider Trading & Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and the same is placed in the website of your Company.

### STATUTORY DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
2. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the 'going concern' status and Company's operations in future.
3. In compliance with the requirements of 'Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013', introduced by the Government of India, which came into effect from 9 December 2013, the Company has adopted a 'Policy to provide Protection Against Sexual Harassment of Women in Workplace', which has been displayed on the website of the Company. There were no cases reported during the year under review under the said policy.

### ACKNOWLEDGEMENTS

Your Directors express their grateful appreciation for the assistance and co-operation received from the financial institutions, banks, governmental authorities, customers, vendors and shareholders during the financial year. Your Directors would also like to once again place on record their appreciation, for the employees across levels, who through their dedication, cooperation, support and intelligence have enabled the Company to move towards achieving its corporate objectives.

For and on Behalf of the Board of Directors

**Ashish Ravi Puravankara**  
*Managing Director & Chief Executive Officer*  
 DIN: 00504524

**Nani R. Choksey**  
*Joint Managing Director*  
 DIN: 00504555

Bengaluru  
 August 29, 2016



## Secretarial Audit Report

To,  
The Members  
**Puravankara Projects Limited**  
No.130/1, Ulsoor Road,  
Bengaluru – 560 042

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the further viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **JKS & Co.**  
*Company Secretaries*

**V. Karthick**  
*Partner*

Place : Bengaluru  
Date : August 29, 2016

Membership No. ACS – 11910  
Certificate of Practice No. – 4680

**Form No. MR-3**  
**Secretarial Audit Report**

for the financial year ended March 31, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
**Puravankara Projects Limited**  
No.130/1, Ulsoor Road,  
Bengaluru – 560 042

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by Puravankara Projects Limited (hereinafter called "the Company"). Secretarial Audit was conducted in the manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended on 31<sup>st</sup> March, 2016 ("audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Except for the requirement of annual reporting, there was no instance/trigger leading to compliance under these Regulations;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [Not Applicable to the Company during the audit period under review];
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [Not Applicable to the Company during the audit period];
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [Not Applicable as the Company has not issued any debt securities during the audit period];
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients [Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the audit period];
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [Not Applicable as the Company has not delisted / proposed to delist its equity shares from any stock exchange during the audit period]; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [Not Applicable during the audit period];
- (vi) Other laws applicable to the Company are :
  - a) The Building & Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996;
  - b) Transfer of Property Act, 1882
  - c) Registration Act, 1908

**We have also examined** compliance with the applicable clauses of the following:

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1<sup>st</sup> July, 2015.

- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited (upto 30<sup>th</sup> November, 2015) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (Effective from December 01, 2015).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, with the exception that:

- a) Few inconsistencies were observed in some of the e-forms filed with Registrar of Companies
- b) The newspaper advertisements released under the required provisions of the Companies Act, 2013 were not in vernacular language (though printed in the vernacular newspaper)

The Company has an unspent amount during the year in the amount to be spent towards Corporate Social Responsibility.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As represented by the Company, all decisions at the Meetings of the Board of Directors and Board Committees are carried out unanimously

as recorded in the Minutes of the respective meetings as the case may be and no dissenting views were required to be recorded.

During the year under review, the Company deposited with IEPF an amount of ₹82,374 being the unpaid amount of dividend relating to the financial year 2007-08.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period, the Company has:

1. Passed a Special Resolution under Section 13 of the Companies Act, 2013, to amend the 'Objects Clause' of Memorandum of Association of the Company.
2. Passed a Special Resolution under Section 188 towards joint venture with Keppel Puravankara Development Private Limited.
3. Passed necessary Board Resolution to avail an Inter-Corporate Deposit of ₹390,00,00,000 (Rupees Three Hundred and Ninety Crores only).

For JKS & Co.  
Company Secretaries

V. Karthick  
Partner

Membership No. ACS – 11910  
Certificate of Practice No. – 4680

Place : Bengaluru  
Date : August 29, 2016

## Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

### 1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS

(a) Name(s) of the related party and nature of relationship	
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts/arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions	There were no transaction or arrangement which were not at arm's length.
(e) Justification for entering into such contracts or arrangements or transactions	
(f) Date(s) of approval by the Board	
(g) Amount paid as advances, if any:	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

### 2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS

Name of the Related Party	
Nature of Relationship	-
Nature of Contracts/ Transaction	-
Duration of Contracts	-
Salient Terms of Contracts/ Arrangements	-
Value of Contracts/ Arrangement	NIL
Justification For Entering Into Such Contracts	-
Dates of Board Approval	-
Amount Paid as Advance	NIL
Date of Agreement	

### COMPANIES WHICH HAVE BECOME SUBSIDIARIES/ASSOCIATES/JOINT VENTURES DURING THE FINANCIAL YEAR 2015-16:

Sl. No.	Name of the Company/ Entity	Type	Remarks
1	Varishtha Property Developers Private Limited	Subsidiary	Wholly owned subsidiary w.e.f. November 20, 2015
2	Jyothishmati Business Centers Private Limited	Subsidiary	Wholly owned subsidiary w.e.f. November 26, 2015
3	Vagishwari Land Developers Private Limited	Subsidiary	Wholly owned subsidiary w.e.f. November 27, 2015
4	Jaganmata Property Developers Private Limited	Subsidiary	Wholly owned subsidiary w.e.f. November 27, 2015

### COMPANIES WHICH CEASED TO BE SUBSIDIARIES/ASSOCIATES/JOINT VENTURES DURING THE FINANCIAL YEAR 2015-16:

Sl. No.	Name of the Company/ Entity	Type	Remarks
1	Purva Good Earth Properties Private Limited *	Subsidiary	Ceased to be a subsidiary from 6 April 2015

\*Became a step down subsidiary with effect from 6 April 2015

## Annexure-A

### SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY/ ASSOCIATES/ JOINT VENTURES AS PER COMPANIES ACT, 2013 Form AOC - 1

No.	Name of the subsidiary	Reporting period	Reporting Currency	Exchange rate	Share capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for Taxation	Profit/ Loss	Interim dividend paid	Proposed dividend	Percentage of shareholding/ economic interest	Date of acquiring interest in subsidiary
1	Prudential Housing and Infrastructure Development Limited	31-Mar-16	INR	N.A	0.05	(1.47)	0.45	1.87	-	-	(0.06)	-	(0.06)	-	-	100%	03 Nov 99
2	Centurions Housing & Constructions Private Limited®	31-Mar-16	INR	N.A	0.01	0.64	17.67	17.02	-	6.97	6.29	2.12	4.17	42.00	3.00	100%	22 June 00
3	Melmont Construction Private Limited	31-Mar-16	INR	N.A	0.01	(3.90)	129.08	132.97	-	0.01	(0.04)	-	(0.04)	-	-	100%	04 Oct 04
4	Purva Marine Properties Private Limited	31-Mar-16	INR	N.A	0.02	(0.03)	0.01	0.02	-	-	0.00	-	0.00	-	-	100%	20 Feb 06
5	Purva Realities Private Limited	31-Mar-16	INR	N.A	0.01	(0.02)	35.98	35.98	-	-	0.00	-	0.00	-	-	100%	10 May 06
6	Grand Hills Developments Private Limited	31-Mar-16	INR	N.A	0.01	(0.02)	0.01	0.01	-	-	0.00	-	0.00	-	-	100%	10 Apr 07
7	Purva Ruby Properties Private Limited	31-Mar-16	INR	N.A	0.01	(0.42)	14.76	15.17	-	-	(0.18)	-	(0.18)	-	-	100%	10 Apr 07
8	Purva Good Earth Properties Private Limited®	31-Mar-16	INR	N.A	0.01	(0.05)	166.17	166.21	-	-	(0.04)	-	(0.04)	-	-	100%	10 Apr 06
9	Purva Sapphire Land Private Limited	31-Mar-16	INR	N.A	0.01	(0.03)	0.57	0.60	-	-	(0.02)	-	(0.02)	-	-	100%	10 Apr 07
10	Purva Star Properties Private Limited®	31-Mar-16	INR	N.A	0.01	57.84	220.41	162.56	-	112.01	24.64	8.54	16.10	-	7.53	100%	13 Apr 07
11	Nile Developers Private Limited	31-Mar-16	INR	N.A	0.10	6.84	21.10	14.16	-	-	(0.08)	-	(0.08)	-	-	100%	20 Dec 06
12	Vaigai Developers Private Limited	31-Mar-16	INR	N.A	0.10	5.00	16.60	11.50	-	-	(0.01)	-	(0.01)	-	-	100%	20 Dec 06
13	Puravankara Hotels Limited	31-Mar-16	INR	N.A	0.05	(0.02)	0.04	0.01	-	-	0.00	-	0.00	-	-	100%	28 Mar 08
14	Purva Land Limited	31-Mar-16	INR	N.A	0.05	(0.05)	0.05	0.05	-	-	0.00	-	0.00	-	-	100%	18 Jul 08
15	Starworth Infrastructure & Construction Limited®	31-Mar-16	INR	N.A	0.05	15.97	117.73	101.71	-	207.13	(8.33)	(2.88)	(5.45)	-	-	100%	13 Aug 08
16	Provident Housing Limited®	31-Mar-16	INR	N.A	0.05	287.46	930.27	642.77	-	429.88	37.21	13.98	23.43	2.24	11.73	100%	14 Nov 08
17	Jaganmata Property Developers Private Limited	31-Mar-16	INR	N.A	0.01	0.00	0.01	0.00	-	-	0.00	-	0.00	-	-	100%	27 Nov 15
18	Jyothishmati Business Centers Private Limited	31-Mar-16	INR	N.A	0.01	0.00	0.01	0.00	-	-	0.00	-	0.00	-	-	100%	26 Nov 15
19	Vagishwari Land Developers Private Limited	31-Mar-16	INR	N.A	0.01	0.00	0.01	0.00	-	-	0.00	-	0.00	-	-	100%	27 Nov 15
20	Varishtha Property Developers Private Limited	31-Mar-16	INR	N.A	0.01	0.00	0.01	0.00	-	-	0.00	-	0.00	-	-	100%	20 Nov 15
21	*Pune Projects LLP®	31-Mar-16	INR	N.A	0.05	(1.04)	72.07	73.06	-	-	(0.83)	(0.26)	(0.57)	-	-	32%	27 Oct 14
22	Purva Corporation	31-Mar-16	USD	66.14	0.05	(0.06)	0.09	0.11	-	-	(0.02)	-	(0.02)	-	-	100%	02 June 05
23	Puravankara UK Limited®	31-Mar-16	USD	66.14	0.05	(0.08)	0.00	0.03	-	-	(0.02)	-	(0.02)	-	-	100%	01 Nov 11
24	Welworth Lanka Holding (Private) Limited®	31-Mar-16	LKR	0.44	11.61	(0.15)	12.70	1.24	-	-	(0.02)	-	(0.02)	-	-	100%	06 Dec 06
25	Welworth Lanka Private Limited®	31-Mar-16	LKR	0.44	11.43	(3.84)	8.92	1.33	-	-	(0.62)	-	(0.62)	-	-	100%	06 Dec 05

\*Pune Projects LLP is a subsidiary on account of substantial control by the company arising out of other than economic interest.

® The Company has commenced operations. The remaining companies are yet to commence operations.

\$ Puravankara UK Limited was dissolved w.e.f. April 2, 2016

## INFORMATION OF THE ASSOCIATES FOR THE YEAR ENDED 31 MARCH 2016

Sl. No.	Particulars	Keppel Puravankara Development Private Limited	Sobha Puravankara Aviation Private Limited	Propmart Technologies Limited
1	Latest audited balance sheet date	31 March 2015	31 March 2015	31 March 2015
2	Shares of associate held by the company on the year end			
	(a) Numbers	4,410,000	4,775,000	2,335,000
	(b) Amount of investment in associates (₹ in crores)	4.41	4.78	2.34
	(c) Extent of holding (%)	49%	49.75%	32.83%
3	Description of how there is significant influence	Control	Control	Control
4	Reason why the associate is not consolidated	-	-	-
5	Networth attributable to shareholding as per latest audited balance sheet (as on 31.03.2015)	141.68	(65.24)	(21.43)
6	Profit/(loss) for the year			
	(a) Considered in consolidation*	(0.57)	-	-
	(b) Not considered in consolidation	-	-	-

\*During the year 2015-16

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

Sd/-  
**Ashish Ravi Puravankara**  
 Managing Director & Chief Executive Officer  
 DIN 00504524

Sd/-  
**Nani R Choksey**  
 Joint Managing Director  
 DIN 00504555

Sd/-  
**Hari Ramakrishnan**  
 Chief Financial Officer

Sd/-  
**Bindu D.**  
 Company Secretary  
 M. N. 23290

## ANNEXURE V TO DIRECTORS' REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2015-16

1	A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs and the composition of CSR Committee.	Refer Sections: (a) Corporate Social Responsibility and (b) Disclosures: CSR Committee in this Report
2	Average net profit of the Company for last three financial years	129.03
3	Prescribed CSR expenditure (two percent of the amount mentioned in item 2 above)	2.58

### DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR:

4	Total amount to be spent for the financial year	2.21
5	Amount unspent, if any	0.37
6	Manner in which the amount spent during the financial year	Details given below



Sl. No.	CSR project or Activity Identified	Sector in which the project is covered	Project of Program (1) Local Area or Other (2) Specify the State and district where projects or programs was undertaken	Amount Outlay (Budget) Project or Program wise (in crore)	Amount spent on the Projects or Programs Sub Heads: (1) Direct Expenditure on Projects or Programs (2) Overheads (in crore)	Cumulative Expenditure upto the reporting period i.e. FY 2015- 2016 (in crore)	Amount Spent Direct or through Implementing Agency
<b>Education</b>							
1	The Secretary, Sri Guru Krupa Education Society, Giryapura	Promoting Education	Bengaluru, Karnataka	0.03	0.03	0.03	Direct
2	Sanskardham Trust	Promoting Education	Ahmedabad, Gujarat	1.00	1.00	1.00	Direct
3	Ujwal Trust	Promoting Education	Bengaluru, Karnataka	0.13	0.13	0.13	Direct
4	Govt Higher Secondary School-Kochi	Promoting Education	Kochi, Kerala	0.00	0.00	0.00	Direct
5	Contribution to Credai Scholarship fund (CESF)	Promoting Education	Kochi, Kerala	0.00	0.00	0.00	Direct
<b>Environment</b>							
6	Median, Garden & park maintenance charges at Cubbon Road, Anil Kumble Road, Domlur Road, Indian express etc, security maintenance at War memorial, Rest House park, Purva park etc. and other charges like wages, water supply, repairs & maintenance.	Ensuring environmental sustainability, protection of flora & fauna	Bengaluru, Karnataka	0.65	0.65	0.65	Direct
<b>Scientific Research</b>							
7	Indian Institute of Science	Scientific Research	Bengaluru, Karnataka	0.05	0.05	0.05	Direct
<b>Promotion of Arts &amp; Culture</b>							
8	Supply of material for promoting Arts and Cinema	Promoting art & culture	Bengaluru, Karnataka	0.24	0.24	0.24	Direct
9	Chennai Cultural Academy Charitable Trust	Promoting art & culture	Chennai, Tamilnadu	0.00	0.00	0.00	Direct
10	Bangalore School of Music & Fine Arts	Promoting art & culture	Bengaluru, Karnataka	0.03	0.03	0.03	Direct
<b>Other Activities:</b>							
11	Donation paid	Promoting vocational skills	Bengaluru, Karnataka	0.05	0.05	0.05	Direct
12	Donation paid	Flood relief contribution	Chennai, Tamilnadu	0.03	0.03	0.03	Direct
13	Little Sisters of the Poor	Home for aged	Bengaluru, Karnataka	0.01	0.01	0.01	Direct
TOTAL				2.21	2.21	2.21	

Reasons for not spending the Amount : We are evaluating various projects in the social space and hence the limit could not be completed resulting in a shortfall against the overall quantum. The shortfall of ₹0.37 crores will be carried over to the ensuing financial year 2015-16 and will be spent as per the CSR Guidelines.

## RESPONSIBILITY STATEMENT

We hereby affirm that the CSR policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the CSR projects and activities in compliance with our CSR objectives.

The Implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR Objectives and Policy of the Company.

Sd/-  
**Ashish Ravi Puravankara**  
 Managing Director and Chief Executive Officer  
 DIN: 00504524

Sd/-  
**R.V.S. Rao**  
 Independent Director, Chairman of Audit Committee  
 DIN: 00061599

## MGT-9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended 31 March 2016  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS:

Particulars	Details
CIN	L45200KA1986PLC051571
Registration date	June 3, 1986
Name of the Company	PURAVANKARA PROJECTS LIMITED
Category/Sub-Category of the Company	Company having share capital
Address of the Registered office	#130/1, Ulsoor Road, Bengaluru- 560042.
Contact Details	bindu.d@puravankara.com
Whether listed company	Yes
Transfer Agent, if any	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W) Mumbai - 400078, Maharashtra

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
Construction of buildings carried out on own-account basis or on a fee or contract basis	41001	100%
<b>Total</b>		<b>100%</b>

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Nile Developers Private Limited	# 7, Seshadhri Road, Ground Floor, LVR Centre Alwarpet, Chennai - 600 018.	U45200TN2006PTC061798	Subsidiary	100%	2(87)(ii)
2	Vaigai Developers Private Limited	# 7, Seshadhri Road, Ground Floor, LVR Centre Alwarpet, Chennai - 600 018.	U45200TN2006PTC061799	Subsidiary	100%	2(87)(ii)
3	Centurions Housing & Constructions Private Limited	# 7, Seshadhri Road, Ground Floor, LVR Centre Alwarpet, Chennai - 600 018.	U70101TN2000PTC045241	Subsidiary	100%	2(87)(ii)
4	Melmont Construction Private Limited	130/1, Ulsoor Road, Bangalore - 560042.	U74210KA2004PTC034801	Subsidiary	100%	2(87)(ii)
5	Purva Marine Properties Private Limited	130/1, Ulsoor Road, Bangalore - 560042.	U45201KA2006PTC038368	Subsidiary	100%	2(87)(ii)
6	Purva Realities Private Limited	130/1, Ulsoor Road, Bangalore - 560042.	U45202KA2006PTC039259	Subsidiary	100%	2(87)(ii)

Sl. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
7	Purva Good Earth Properties Private Limited#	130/1, Ulsoor Road, Bangalore - 560042.	U45201KA2007PTC042436	Subsidiary	100%	2(87)(ii)
8	Purva Star Properties Private Limited	130/1, Ulsoor Road, Bangalore - 560042.	U45201KA2007PTC042489	Subsidiary	100%	2(87)(ii)
9	Purva Sapphire Land Private Limited	130/1, Ulsoor Road, Bangalore - 560042.	U45201KA2007PTC042437	Subsidiary	100%	2(87)(ii)
10	Purva Ruby Properties Private Limited	130/1, Ulsoor Road, Bangalore - 560042.	U45203KA2007PTC042433	Subsidiary	100%	2(87)(ii)
11	Grand Hills Developments Private Limited ( previously- Purva Opel Properties Private Limited )	130/1, Ulsoor Road, Bangalore - 560042.	U45203KA2007PTC042435	Subsidiary	100%	2(87)(ii)
12	Puravankara Hotels Limited	130/1, Ulsoor Road, Bangalore - 560042.	U55101KA2008PLC045826	Subsidiary	100%	2(87)(ii)
13	Provident Housing Limited	130/1, Ulsoor Road, Bangalore - 560042.	U45200KA2008PLC048273	Subsidiary	100%	2(87)(ii)
14	Starworth Infrastructure & Construction Limited	130/1, Ulsoor Road, Bangalore - 560042.	U45201KA2008PLC047441	Subsidiary	100%	2(87)(ii)
15	Purva Land Limited	130/1, Ulsoor Road, Bangalore - 560042.	U70102KA2008PLC047199	Subsidiary	100%	2(87)(ii)
16	Prudential Housing and Infrastructure Development Limited	130/1, Ulsoor Road, Bangalore - 560042.	U45200MH1999PLC122523	Subsidiary	100%	2(87)(ii)
17	Jaganmata Property Developers Private Limited	Puravankara Projects Limited, Survey No-08, Opp to Mahindra Satyam, Side line of Godrej Green Building Kondapura Kurnool TG 500033 IN	U45206TG2015PTC101944	Subsidiary	100%	2(87)(ii)
18	Vagishwari Land Developers Private Limited	Puravankara Projects Limited, Survey No-08, Opp to Mahindra Satyam, Side line of Godrej Green Building Kondapura Kurnool TG 500033 IN	U45208TG2015PTC101945	Subsidiary	100%	2(87)(ii)
19	Varishtha Property Developers Private Limited	Puravankara Projects Limited, Survey No-08, Opp to Mahindra Satyam, Side line of Godrej Green Building Kondapura Kurnool TG 500033 IN	U45208TG2015PTC101839	Subsidiary	100%	2(87)(ii)
20	Jyothishmati Business Centers Private Limited	Puravankara Projects Limited, Survey No-08, Opp to Mahindra Satyam, Side line of Godrej Green Building Kondapura Kurnool TG 500033 IN	U45208TG2015PTC101935	Subsidiary	100%	2(87)(ii)
21	Keppel Puravankara Development Private Limited	No. 39, 8 <sup>th</sup> Main, 1A Cross, Vasanthnagar, Opp. Mount Carmel College, Bangalore-560052	U74210KA2004PTC034178	Associate	49%	2(6)

Sl. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
22	Propmart Technologies Limited	No.778/A, Chinnaswamy Chambers, 3 <sup>rd</sup> Floor Double Road, Indiranagar 2 <sup>nd</sup> Stage Bangalore - 560038	U72200KA2000PLC026967	Associate	32.83%	2(6)
23	Sobha Puravankara Aviation Private Limited	# 900/1, 1 <sup>st</sup> Cross Geetanjali Layout HAL 3 <sup>rd</sup> Stage, New Thippasandra Bangalore- 560075	U62200KA2010PTC056061	Associates	49.75%	2(6)
24	Purva Corporation	International Trust Building, Road Town, Tortola, British Virgin Islands.	--N/A--	Foreign Subsidiary	100%	2(87)(ii)
25	Puravankara UK Ltd.\$	3 <sup>rd</sup> Floor Paternoster House, 65 ST Pauls Churchyard, London, EC4M 8AB	--N/A--	Foreign Subsidiary	100%	2(87)(ii)
26	Welworth Lanka (Private) Limited	Eigth Floor, East Tower, WTC, Colombo-01	--N/A--	Foreign Subsidiary	100%	2(87)(ii)
27	Welworth Lanka Holding Private Limited	C/O Varners, Level 14, West Tower, World Trade Centre, Colombo 1	--N/A--	Foreign Subsidiary	100%	2(87)(ii)

# On 6 April 2015 Investment (10,000 Shares of ₹ 10/- each) in Purva Good Earth Properties Private Limited was transferred to Provident Housing Ltd. (a Subsidiary of the Company) for a Consideration of ₹ 1,00,000

Information relating to Pune Projects LLP is not provided as the above list relates to companies.

\$ Was dissolved w.e.f. April 2, 2016

#### IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK-UP AS PERCENTAGE OF TOTAL EQUITY)

##### i) Category-wise Shareholding

Sl. No.	Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Shareholding of Promoter and Promoter Group</b>										
<b>[1] Indian</b>										
(a)	Individuals / Hindu Undivided Family	177,862,264	0	177,862,264	75.00	177,862,264	0	177,862,264	75.00	-
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	-
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	-
(d)	Any Other (Specify)									
<b>Sub Total (A)(1)</b>		<b>177,862,264</b>	<b>0</b>	<b>177,862,264</b>	<b>75.00</b>	<b>177,862,264</b>	<b>0</b>	<b>177,862,264</b>	<b>75.00</b>	<b>-</b>
<b>[2] Foreign</b>										
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	-
(b)	Government	0	0	0	0.00	0	0	0	0.00	-
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	-
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	-
(e)	Any Other (Specify)									
<b>Sub Total (A)(2)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>-</b>
<b>Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)</b>		<b>177,862,264</b>	<b>0</b>	<b>177,862,264</b>	<b>75.00</b>	<b>177,862,264</b>	<b>0</b>	<b>177,862,264</b>	<b>75.00</b>	<b>-</b>

Sl. No.	Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(B) Public Shareholding</b>										
[1]	Institutions									
(a)	Mutual Funds / UTI	17,318,809	0	17,318,809	7.30	9,724,003	0	9,724,003	4.10	(3.20)
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	-
(c)	Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	-
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	-
(e)	Foreign Portfolio Investor	28,712,889	0	28,712,889	12.11	35,888,125	0	35,888,125	15.13	3.03
(f)	Financial Institutions / Banks	16,766	0	16,766	0.01	31,564	0	31,564	0.01	0.01
(g)	Insurance Companies	1,881,275	0	1,881,275	0.79	1,881,275	0	1,881,275	0.79	-
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	-
(i)	Any Other (Specify)									
	<b>Sub Total (B)(1)</b>	<b>47,929,739</b>	<b>0</b>	<b>47,929,739</b>	<b>20.21</b>	<b>47,524,967</b>	<b>0</b>	<b>47,524,967</b>	<b>20.04</b>	<b>(0.17)</b>
[2]	Central Government/ State Government(s)/ President of India									
	<b>Sub Total (B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>-</b>
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto ₹1 lakh.	4,192,778	402	4,193,180	1.77	4,599,586	402	4,599,988	1.94	0.17
(ii)	Individual shareholders holding nominal share capital in excess of ₹1 lakh	284,073	0	284,073	0.12	434,390	0	434,390	0.18	0.06
(b)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	-
(c)	Employee Trusts	0	0	0	0.00	0	0	0	0.00	-
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	-
(e)	Any Other (Specify)									
	Hindu Undivided Family	0	0	0	0.00	239,235	0	239,235	0.10	0.10
	Non Resident Indians (Non Repat)	28,896	0	28,896	0.01	36,230	0	36,230	0.02	0.00
	Other Directors	1,920	0	1,920	0.00	1,920	0	1,920	0.00	-
	Non Resident Indians (Repat)	411,316	0	411,316	0.17	292,308	0	292,308	0.12	(0.05)
	Independent Director	2,000	0	2,000	0.00	2,000	0	2,000	0.00	-
	Clearing Member	476,036	0	476,036	0.20	426,041	0	426,041	0.18	(0.02)
	Bodies Corporate	5,960,262	0	5,960,262	2.51	5,730,343	0	5,730,343	2.42	(0.10)
	Sub Total (B)(3)	11,357,281	402	11,357,683	4.79	11,762,053	402	11,762,455	4.96	0.17
	<b>Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)</b>	<b>59,287,020</b>	<b>402</b>	<b>59,287,422</b>	<b>25.00</b>	<b>59,287,020</b>	<b>402</b>	<b>59,287,422</b>	<b>25.00</b>	<b>-</b>
	<b>Total (A)+(B)</b>	<b>237,149,284</b>	<b>402</b>	<b>237,149,686</b>	<b>100.00</b>	<b>237,149,284</b>	<b>402</b>	<b>237,149,686</b>	<b>100.00</b>	<b>-</b>
<b>(C) Non Promoter – Non Public</b>										
[1]	Custodian/DR Holder	0	0	0	0.00	0	0	0	0.00	-
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	-
	<b>Grand Total (A)+(B)+(C)</b>	<b>237,149,284</b>	<b>402</b>	<b>237,149,686</b>	<b>100.00</b>	<b>237,149,284</b>	<b>402</b>	<b>237,149,686</b>	<b>100.00</b>	<b>-</b>

## ii) Shareholding of Promoters'

Sl. No.	Category of Shareholder	Shareholding at the beginning of the year			Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	% of Shares Pledged / encumbered to total shares *	No. of shares	% of total shares of the company	% of Shares Pledged / encumbered to total shares *
1	Mr. Ravi Puravankara	177,852,904	75	0	177,852,904	75	0
2	Mr. Ashish Ravi Puravankara	4,800	0	0	4,800	0	0
3	Mrs. Vishalakshi Puravankara	1,920	0	0	1,920	0	0
4	Mrs. Aarati Puravankara	1,440	0	0	1,440	0	0
5	Mrs. Amanda Puravankara	1,200	0	0	1,200	0	0
	<b>Total</b>	<b>177,862,264</b>	<b>75</b>	<b>0</b>	<b>177,862,264</b>	<b>75</b>	<b>0</b>

## ii) Change in Promoters' Shareholding

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year (Total)	177,862,264.00	75.00	177,862,264.00	75.00
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	<b>At the End of the year</b>	<b>177,862,264.00</b>	<b>75.00</b>	<b>177,862,264.00</b>	<b>75.00</b>

Note: There is no change in the total shareholding of promoters between 01 April 2015 and 31 March 2016.

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Reliance Capital Trustee Co. Ltd-A/C Reliance Small Cap Fund</b>				
	At the beginning of the Year	12,816,987	5.40	12,816,987	5.4046
	Date 15/05/2015 (Increase of shareholding due to Purchase)	32,300	0.01	12,849,287	5.4182
	Date 05/06/2015 (Increase of shareholding due to Purchase)	30,000	0.01	12,879,287	5.4309
	Date 19/06/2015 (Increase of shareholding due to Purchase)	25,000	0.01	12,904,287	5.4414
	Date 18/03/2016 (Decrease of shareholding due to Sale)	(4,181,150)	(1.76)	8,723,137	3.6783
	<b>At the end of the year</b>			<b>8,723,137</b>	<b>3.6783</b>
<b>2</b>	<b>GHI Ltp Ltd</b>				
	At the beginning of the Year	3,998,493	1.69	3,998,493	1.6861
	Date 17/04/2015 (Increase of shareholding due to Purchase)	26,892	0.01	4,025,385	1.6974
	Date 24/04/2015 (Increase of shareholding due to Purchase)	35,000	0.01	4,060,385	1.7122
	Date 01/05/2015 (Increase of shareholding due to Purchase)	8,530	0.00	4,068,915	1.7158



Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Date 08/05/2015 (Increase of shareholding due to Purchase)	8,117	0.00	4,077,032	1.7192
	Date 22/05/2015 (Increase of shareholding due to Purchase)	10,000	0.00	4,087,032	1.7234
	Date 05/06/2015 (Decrease of shareholding due to Sale)	(1,048)	(0.00)	4,085,984	1.7230
	Date 12/06/2015 (Decrease of shareholding due to Sale)	(18,297)	(0.01)	4,067,687	1.7152
	Date 19/06/2015 (Decrease of shareholding due to Sale)	(20,986)	(0.01)	4,046,701	1.7064
	Date 19/06/2015 (Decrease of shareholding due to Sale)	(104,323)	(0.04)	3,942,378	1.6624
	Date 26/06/2015 (Decrease of shareholding due to Sale)	(7,549)	(0.00)	3,934,829	1.6592
	Date 21/08/2015 (Increase of shareholding due to Purchase)	75,000	0.03	4,009,829	1.6908
	Date 28/08/2015 (Increase of shareholding due to Purchase)	45,000	0.02	4,054,829	1.7098
	Date 11/09/2015 (Increase of shareholding due to Purchase)	50,000	0.02	4,104,829	1.7309
	Date 25/09/2015 (Increase of shareholding due to Purchase)	673,200	0.28	4,778,029	2.0148
	Date 30/09/2015 (Increase of shareholding due to Purchase)	414,000	0.17	5,192,029	2.1893
	Date 09/10/2015 (Increase of shareholding due to Purchase)	175,000	0.07	5,367,029	2.2631
	Date 23/10/2015 (Increase of shareholding due to Purchase)	268,000	0.11	5,635,029	2.3761
	Date 20/11/2015 (Decrease of shareholding due to Sale)	(3,845)	(0.00)	5,631,184	2.3745
	Date 27/11/2015 (Increase of shareholding due to Purchase)	13,314	0.01	5,644,498	2.3801
	Date 04/12/2015 (Increase of shareholding due to Purchase)	650,000	0.27	6,294,498	2.6542
	Date 25/03/2016 (Increase of shareholding due to Purchase)	1,150,000	0.48	7,444,498	3.1392
	<b>At the end of the Year</b>			<b>7,444,498</b>	<b>3.1392</b>
<b>3</b>	<b>Atyant Capital India Fund I</b>				
	At the beginning of the year	993,660	0.42	993,660	0.4190
	Date 10/04/2015 (Increase of shareholding due to Purchase)	1,825,000	0.77	2,818,660	1.1886
	Date 17/04/2015 (Increase of shareholding due to Purchase)	295,000	0.12	3,113,660	1.3130
	Date 24/04/2015 (Increase of shareholding due to Purchase)	100,000	0.04	3,213,660	1.3551
	Date 21/08/2015 (Increase of shareholding due to Purchase)	2,972	0.00	3,216,632	1.3564
	Date 28/08/2015 (Increase of shareholding due to Purchase)	20,000	0.01	3,236,632	1.3648
	Date 11/09/2015 (Increase of shareholding due to Purchase)	10,000	0.00	3,246,632	1.3690
	Date 18/09/2015 (Increase of shareholding due to Purchase)	31,000	0.01	3,277,632	1.3821
	Date 25/09/2015 (Increase of shareholding due to Purchase)	567,300	0.24	3,844,932	1.6213
	Date 18/03/2016 (Increase of shareholding due to Purchase)	2,200,000	0.93	6,044,932	2.5490
	Date 25/05/2016 (Increase of shareholding due to Purchase)	850,000	0.36	6,894,932	2.9074
	<b>At the end of the Year</b>			<b>6,894,932</b>	<b>2.9074</b>
<b>4</b>	<b>College Retirement Equities Fund – Stock Account</b>				
	At the beginning of the Year	5,459,198	2.3020	5,459,198	2.3020
	<b>At the end of the Year</b>			<b>5,459,198</b>	<b>2.3020</b>
<b>5</b>	<b>Reliance Life Insurance Company Limited</b>				
	At the beginning of the Year	4,537,253	1.91	4,537,253	1.9132
	Date 10/04/2015 (Increase of shareholding due to Purchase)	20,811	0.01	4,558,064	1.9220

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Date 17/04/2015 (Decrease of shareholding due to Sale)	(5,612)	(0.00)	4,552,452	1.9197
	Date 24/04/2015 (Decrease of shareholding due to Sale)	(6,220)	(0.00)	4,546,232	1.9170
	Date 01/05/2015 (Decrease of shareholding due to Sale)	(105)	(0.00)	4,546,127	1.9170
	Date 08/05/2015 (Increase of shareholding due to Purchase)	133	0.00	4,546,260	1.9170
	Date 15/05/2015 (Decrease of shareholding due to Sale)	(2,104)	(0.00)	4,544,156	1.9162
	Date 22/05/2015 (Increase of shareholding due to Purchase)	63	0.00	4,544,219	1.9162
	Date 29/05/2015 (Decrease of shareholding due to Sale)	(45)	(0.00)	4,544,174	1.9162
	Date 12/06/2015 (Decrease of shareholding due to Sale)	(2,956)	(0.00)	4,541,218	1.9149
	Date 19/06/2015 (Increase of shareholding due to Purchase)	265	0.00	4,541,483	1.9150
	Date 26/06/2015 (Decrease of shareholding due to Sale)	(6,571)	(0.00)	4,534,912	1.9123
	Date 30/06/2015 (Decrease of shareholding due to Sale)	(4,305)	(0.00)	4,530,607	1.9104
	Date 03/07/2015 (Decrease of shareholding due to Sale)	(2,032)	(0.00)	4,528,575	1.9096
	Date 10/07/2015 (Decrease of shareholding due to Sale)	(14,207)	(0.01)	4,514,368	1.9036
	Date 17/07/2015 (Increase of shareholding due to Purchase)	6853	0.00	4,521,221	1.9065
	Date 24/07/2015 (Decrease of shareholding due to Sale)	(4,370)	(0.00)	4,516,851	1.9046
	Date 31/07/2015 (Decrease of shareholding due to Sale)	(3,363)	(0.00)	4,513,488	1.9032
	Date 07/08/2015 (Decrease of shareholding due to Sale)	(7,272)	(0.00)	4,506,216	1.9002
	Date 14/08/2015 (Decrease of shareholding due to Sale)	(376)	(0.00)	4,505,840	1.9000
	Date 21/08/2015 (Increase of shareholding due to Purchase)	5508	0.00	4,511,348	1.9023
	Date 28/08/2015 (Decrease of shareholding due to Sale)	(20,721)	(0.01)	4,490,627	1.8936
	Date 04/09/2015 (Decrease of shareholding due to Sale)	(1,618)	(0.00)	4,489,009	1.8929
	Date 11/09/2015 (Decrease of shareholding due to Sale)	(31,273)	(0.01)	4,457,736	1.8797
	Date 18/09/2015 (Decrease of shareholding due to Sale)	(1,597)	(0.00)	4,456,139	1.8790
	Date 25/09/2015 (Decrease of shareholding due to Sale)	(76)	(0.00)	4,456,063	1.8790
	Date 09/10/2015 (Decrease of shareholding due to Sale)	(10,763)	(0.00)	4,445,300	1.8745
	Date 16/10/2015 (Decrease of shareholding due to Sale)	(9,170)	(0.00)	4,436,130	1.8706
	Date 23/10/2015 (Decrease of shareholding due to Sale)	(2,248)	(0.00)	4,433,882	1.8697
	Date 30/10/2015 (Decrease of shareholding due to Sale)	(200)	(0.00)	4,433,682	1.8696
	Date 06/11/2015 (Increase of shareholding due to Purchase)	1895	0.00	4,435,577	1.8704
	Date 20/12/2015 (Increase of shareholding due to Purchase)	2144	0.00	4,437,721	1.8713
	Date 27/11/2015 (Decrease of shareholding due to Sale)	(8,931)	(0.00)	4,428,790	1.8675
	Date 11/12/2015 (Decrease of shareholding due to Sale)	(1,100)	(0.00)	4,427,690	1.8670
	Date 18/12/2015 (Decrease of shareholding due to Sale)	(67)	(0.00)	4,427,623	1.8670
	Date 25/12/2015 (Increase of shareholding due to Purchase)	35	0.00	4,427,658	1.8670
	Date 31/12/2015 (Decrease of shareholding due to Sale)	(89,233)	(0.04)	4,338,425	1.8294
	Date 01/01/2016 (Decrease of shareholding due to Sale)	(1,280)	(0.00)	4,337,145	1.8289
	Date 08/01/2016 (Decrease of shareholding due to Sale)	(15,414)	(0.01)	4,321,731	1.8224
	Date 15/01/2016 (Increase of shareholding due to Purchase)	22,262	0.01	4,343,993	1.8318

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Date 22/01/2016 (Increase of shareholding due to Purchase)	15,325	0.01	4,359,318	1.8382
	Date 29/01/2016 (Decrease of shareholding due to Sale)	(22,151)	(0.01)	4,337,167	1.8289
	Date 05/02/2016 (Decrease of shareholding due to Sale)	(5,716)	(0.00)	4,331,451	1.8265
	Date 12/02/2016 (Decrease of shareholding due to Sale)	(1,393)	(0.00)	4,330,058	1.8259
	Date 26/02/2016 (Decrease of shareholding due to Sale)	(15,401)	(0.01)	4,314,657	1.8194
	Date 04/03/2016 (Decrease of shareholding due to Sale)	(350)	(0.00)	4,314,307	1.8192
	Date 11/03/2016 (Decrease of shareholding due to Sale)	(25,594)	(0.01)	4,288,713	1.8084
	Date 18/03/2016 (Decrease of shareholding due to Sale)	(46,700)	(0.02)	4,242,013	1.7887
	Date 25/03/2016 (Decrease of shareholding due to Sale)	(1,796)	(0.00)	4,240,217	1.7880
	<b>At the end of the Year</b>			<b>4,238,441</b>	<b>1.7872</b>
<b>6</b>	<b>HSBC Global Investment Funds A/c HSBC GIF Mauritius Limited</b>				
	At the beginning of the Year	7,357,222	3.10	7,357,222	3.1024
	Date 30/09/2015 (Decrease of shareholding due to Sale)	(582,959)	(0.25)	6,774,263	2.8565
	Date 09/10/2015 (Decrease of shareholding due to Sale)	(138,034)	(0.06)	6,636,229	2.7983
	Date 16/10/2015 (Decrease of shareholding due to Sale)	(579,633)	(0.24)	6,056,596	2.5539
	Date 04/12/2015 (Decrease of shareholding due to Sale)	(16,723)	(0.01)	6,039,873	2.5469
	Date 25/12/2015 (Decrease of shareholding due to Sale)	(37,702)	(0.02)	6,002,171	2.5310
	Date 31/12/2015 (Decrease of shareholding due to Sale)	(986,692)	(0.42)	5,015,479	2.1149
	Date 08/01/2016 (Decrease of shareholding due to Sale)	(259,414)	(0.11)	4,756,065	2.0055
	Date 15/01/2016 (Decrease of shareholding due to Sale)	(1,057,880)	(0.45)	3,698,185	1.5594
	<b>At the end of the Year</b>			<b>3,698,185</b>	<b>1.5594</b>
<b>7</b>	<b>Vanderbilt University A/c Vanderbilt University – Atyant Capital Management Limited</b>				
	At the beginning of the Year	0	0.0000	0	0.0000
	Date 19/06/2015 (Increase of shareholding due to Purchase)	1,186,516	0.50	1,186,516	0.5003
	Date 19/06/2015 (Increase of shareholding due to Purchase)	348,436	0.15	1,534,952	0.6473
	Date 19/06/2015 (Increase of shareholding due to Purchase)	1,725,000	0.73	3,259,952	1.3746
	<b>At the end of the Year</b>			<b>3,259,952</b>	<b>1.3746</b>
<b>8</b>	<b>GHI Jbd Ltd</b>				
	At the beginning of the Year	1,697,272	0.72	1,697,272	0.7157
	Date 19/06/2015 (Increase of shareholding due to Purchase)	11,120	0.00	1,708,392	0.7204
	Date 19/06/2015 (Increase of shareholding due to Purchase)	3,527	0.00	1,711,919	0.7219
	Date 19/06/2015 (Increase of shareholding due to Purchase)	3,356	0.00	1,715,275	0.7233
	Date 05/06/2015 (Decrease of shareholding due to Sale)	(4,568)	(0.00)	1,710,707	0.7214
	Date 12/06/2015 (Decrease of shareholding due to Sale)	(7,567)	(0.00)	1,703,140	0.7182
	Date 19/06/2015 (Decrease of shareholding due to Sale)	(8,678)	(0.00)	1,694,462	0.7145
	Date 26/06/2015 (Decrease of shareholding due to Sale)	(43,134)	(0.02)	1,651,328	0.6963

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Date 14/08/2015 (Decrease of shareholding due to Sale)	(3,396)	(0.00)	1,647,932	0.6949
	Date 21/08/2015 (Increase of shareholding due to Purchase)	35,000	0.01	1,682,932	0.7096
	Date 28/08/2015 (Increase of shareholding due to Purchase)	15,000	0.01	1,697,932	0.7160
	Date 11/09/2015 (Increase of shareholding due to Purchase)	25,000	0.01	1,722,932	0.7265
	Date 25/09/2015 (Increase of shareholding due to Purchase)	351,800	0.15	2,074,732	0.8749
	Date 30/09/2015 (Increase of shareholding due to Purchase)	206,000	0.09	2,280,732	0.9617
	Date 09/10/2015 (Increase of shareholding due to Purchase)	55,000	0.02	2,335,732	0.9849
	Date 23/10/2015 (Increase of shareholding due to Purchase)	112,000	0.05	2,447,732	1.0321
	Transfer	(1,729)	(0.00)	2,446,003	1.0314
	Transfer	(5,255)	(0.00)	2,440,748	1.0292
	Date 19/06/2015 (Increase of shareholding due to Purchase)	50,000	0.02	2,490,748	1.0503
	<b>At the end of the Year</b>			<b>2,490,748</b>	<b>1.0503</b>
<b>9</b>	<b>Life Insurance Corporation of India</b>				
	At the beginning of the Year	1,833,765	0.77	1,833,765	0.7733
	<b>At the end of the Year</b>			<b>1,833,765</b>	<b>0.7733</b>
<b>10</b>	<b>GHI HSP Ltd</b>				
	At the beginning of the Year	1,131,043	0.48	1,131,043	0.4769
	Date 17/04/2015 (Increase of shareholding due to Purchase)	7,480	0.00	1,138,523	0.4801
	Date 01/05/2015 (Increase of shareholding due to Purchase)	2,373	0.00	1,140,896	0.4811
	Date 08/05/2015 (Increase of shareholding due to Purchase)	2,258	0.00	1,143,154	0.4820
	Date 05/06/2015 (Decrease of shareholding due to Sale)	(3,072)	(0.00)	1,140,082	0.4807
	Date 12/06/2015 (Decrease of shareholding due to Sale)	(5,089)	(0.00)	1,134,993	0.4786
	Date 19/06/2015 (Decrease of shareholding due to Sale)	(5,838)	(0.00)	1,129,155	0.4761
	Date 26/06/2015 (Decrease of shareholding due to Sale)	(29,017)	(0.01)	1,100,138	0.4639
	Date 14/08/2015 (Decrease of shareholding due to Sale)	(2,188)	(0.00)	1,097,950	0.4630
	Date 21/08/2015 (Increase of shareholding due to Purchase)	22,500	0.01	1,120,450	0.4725
	Date 28/08/2015 (Increase of shareholding due to Purchase)	10,000	0.00	1,130,450	0.4767
	Date 11/09/2015 (Increase of shareholding due to Purchase)	10,000	0.00	1,140,450	0.4809
	Date 25/09/2015 (Increase of shareholding due to Purchase)	205,450	0.09	1,345,900	0.5675
	Date 30/09/2015 (Increase of shareholding due to Purchase)	123,000	0.05	1,468,900	0.6194
	Date 09/10/2015 (Increase of shareholding due to Purchase)	25,000	0.01	1,493,900	0.6299
	Date 23/10/2015 (Increase of shareholding due to Purchase)	68,000	0.03	1,561,900	0.6586
	Transfer	(1,115)	(0.00)	1,560,785	0.6581
	Date 27/11/2015 (Increase of shareholding due to Purchase)	8,613	0.00	1,569,398	0.6618
	Date 04/12/2015 (Increase of shareholding due to Purchase)	250,000	0.11	1,819,398	0.7672
	<b>At the end of the Year</b>			<b>1,819,398</b>	<b>0.7672</b>

Note: 1. Paid up Share Capital of the Company (Face Value ₹5.00) at the end of the year is 237,149,686 Shares.

2. The details of holding has been grouped based on PAN.

3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Director and Key Managerial Personnel	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>A. Directors</b>						
1	Mr. Ravi Puravankara	At the beginning of the year	177,852,904	75.00	177,852,904	75.00
		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
		At the End of the year	177,852,904	75.00	177,852,904	75.00
2	Mr. Ashish Ravi Puravankara	At the beginning of the year	4,800	0.00	4,800	0.00
		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
		At the End of the year	4,800	0.00	4,800	0.00
3	Mr. Nani R. Choksey	At the beginning of the year	1,920	0.00	1,920	0.00
		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
		At the End of the year	1,920	0.00	1,920	0.00
4	Mr. RVS Rao	At the beginning of the year	2,000	0.00	2,000	0.00
		Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
		At the End of the year	2,000	0.00	2,000	0.00
5	Mr. Pradeep Guha is Independent Director and his shareholding in the company was/is NIL					
6	Dr. Suchitra Kaul Misra is Independent Director and her shareholding in the company was/is NIL					
<b>B. Key Managerial Personnel</b>						
7	Mr. V. P. Raguram, Company Secretary resigned w.e.f. August 18, 2015					
8	Mr. Jackbastian K. Nazareth held office as Chief Executive Officer till May 14, 2015 and his shareholding in the company was/is NIL					
9	Mr. Hari Ramakrishnan, Chief Financial Officer's shareholding in the company was/is NIL					
10	Mr. Ravi Kumar Reddy, Company Secretary, resigned as Company Secretary w.e.f. May 2, 2016 and his shareholding in the company was/is NIL					

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment as on 31 March 2016

₹ in crores

Particulars	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,194.22	313.91	-	1,508.13
ii) Interest due but not paid				-
iii) Interest accrued but not due	4.09			4.09
<b>Total (i+ii+iii)</b>	<b>1,198.31</b>	<b>313.91</b>	<b>-</b>	<b>1,512.23</b>
Change in Indebtedness during the financial year				
• Addition	934.79	42.87	343.00	1,320.66
• Reduction	1,019.34	2.57	-	1,021.91
Net Change	(84.55)	40.30	343.00	298.75
Indebtedness at the end of the financial year				
i) Principal Amount	1,113.76	354.21	343.00	1,810.97
ii) Interest due but not paid				-
iii) Interest accrued but not due	1.84	-	-	1.84
<b>Total (i+ii+iii)</b>	<b>1,115.60</b>	<b>354.21</b>	<b>343.00</b>	<b>1,812.81</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Mr. Ravi Puravankara	Mr. Ashish Ravi Puravankara	Mr. Nani R Choksey
1	Gross Salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2.59	1.40	1.49
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
	Others- Commission	-	-	-
	Others- Director Sitting Fees	-	-	-
	<b>Total</b>	<b>2.59</b>	<b>1.40</b>	<b>1.49</b>

### B. Remuneration to Independent Directors

Sl. No.	Particulars of Remuneration	Mr. Anup S. Shah	Mr. R V S Rao	Mr. Pradeep Guha	Ms. Geetanjali Vikram Kirloskar	Ms. Suchitra Misra
1	Gross Salary					
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
	Others- Commission		0.12	0.12	0.09	0.004
	Others- Director Sitting Fees	0.01	0.05	0.04	-	0.01
	<b>Total</b>	<b>0.01</b>	<b>0.17</b>	<b>0.16</b>	<b>0.09</b>	<b>0.014</b>



### C. Remuneration to Key Managerial Personnel

Sl. No.	Particulars of Remuneration	Mr. Jackbastian K Nazareth <sup>#</sup>	Mr. V P Raguram <sup>*</sup>	Mr. V. Ravi Kumar Reddy <sup>@</sup>	Mr. Hari Ramakrishnan
1	Gross Salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1.40	0.15	0.11	0.59
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	-	-	0.00
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
	Others- Commission	-	-	-	-
	Others- Director Sitting Fees	-	-	-	-
	<b>Total</b>	<b>1.40</b>	<b>0.15</b>	<b>0.11</b>	<b>0.59</b>

<sup>#</sup> Ceased office w.e.f May 14, 2015

<sup>\*</sup> Resigned w.e.f August 14, 2015

<sup>@</sup> Resigned w.e.f May 2, 2016

### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief description	Details of penalty / punishment / compounding of offences	Authority [RD / NCLT / Court]	Appeals made if any (give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other officers in default					
Penalty					
Punishment					
Compounding					

NIL

**DETAILS OF RATIO OF REMUNERATION OF DIRECTOR[SECTION 197(12), R/W RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014**

I. the ratio of the remuneration of each whole-time director to the median remuneration of the employees of the company for the financial year;	<b>Name</b>	<b>Ratio to the median</b>
	Mr. Ravi Puravankara	46.99%
	Mr. Ashish Ravi Puravankara	26.53%
	Mr. Nani R. Choksey	28.12%
II. the percentage increase in remuneration of each whole-time director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<b>Name</b>	<b>% Increase</b>
	Mr. Ravi Puravankara	7.95%
	Mr. Ashish Ravi Puravankara	6.80%
	Mr. Nani R. Choksey	3.24%
	Percentage increase in remuneration of Mr Jackbastain K Nazareth and Mr.V P Raguram is not given as they ceased to be Chief Executive officer and Company Secretary effective 15-05-2015 and 14-08-2015 respectively.	
	Mr. V. Ravi Kumar Reddy's remuneration has not changed as he resigned within a year of his appointment as Company Secretary.	
III. the percentage increase in the median remuneration of employees in the financial year;	The percentage increase in the median remuneration of Employees of Puravankara during the financial year 2015-16 was 7.91 % (arrived at based on the median remuneration of the Financial Year 2014-15.)	
IV. the number of permanent employees on the rolls of Company;	The total number of employees as on 31 March 2016 was 579 , and as on 31 March 2015 was 641.	
V. average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;-	The average % increase was 10.43% for all em-ployees who went through the compensation Review cycle in the year. For the Key Managerial Personnel, the average % increase was 6%.	
VI. the key parameters for any variable component of remuneration availed by the directors;	The key parameters for variable components are Company PAT, EBITDA, Revenue and share price.	
VII. Affirmation that the remuneration is as per the remuneration policy of the company.	Yes. the remuneration is as per the remuneration policy of the company.	

# REPORT ON CORPORATE GOVERNANCE

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### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes that Good Corporate Governance is essential for achieving long term Corporate Goals and enhancing value to all stakeholders. The philosophy of the Company on Corporate Governance is to attain a high level of accountability, transparency and fairness in its functioning and conduct of business with due emphasis on statutory compliances in letter and spirit. The Management acknowledges and appreciates its responsibility towards society at large.

At Puravankara, we define Corporate Governance as a systemic process by which companies are directed and controlled to enhance their wealth generating capacity. Puravankara strives for excellence with the objective of enhancing shareholder value and protecting the interest of stakeholders. Decisions are based on a set of principles influenced by the values, context and culture of the organisation. All functions of the Company are discharged in a professionally sound, competent and transparent manner.

## 2. CORPORATE GOVERNANCE STRUCTURE

Board of Directors	Committees of the Board	
	Mandatory	Non Mandatory
Mr. Ravi Puravankara	- Audit Committee	- Management Sub Committee
Mr. Ashish Ravi Puravankara	- Stakeholders Relationship Committee	
Mr. Anup S Shah*	- Nomination and Remuneration Committee	
Mr. Nani R. Choksey	- Corporate Social Responsibility Committee	
Mr. RVS Rao	- Risk Management Committee	
Mr. Pradeep Guha		
Mrs. Geetanjali Vikram Kirloskar*		
Dr. Suchitra Kaul Misra@		

\* Resigned as Independent Director of the Company- Mr. Anup S. Shah w.e.f. the Closing Hours of July 21, 2015 and Mrs. Geetanjali Vikaram Kirloskar w.e.f. the closing hours of December 22, 2015

@Dr. Suchitra Kaul Misra was appointed as Director (Non-Executive Independent Woman Director) of the Company w.e.f. March 21, 2016.

## 3. BOARD OF DIRECTORS

The Board of Directors of the Company comprises of six Directors, of which three are Executive Directors & three are Independent Directors including a woman director, being eminent persons with considerable professional expertise & experience. The Board comprises of a balanced combination of Executive Directors & Independent Directors in accordance with the requirements of the Companies Act, 2013 and the same is in compliance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations").

Matters of policy and other relevant and significant information are furnished regularly to the Board. To provide better Corporate Governance & transparency, your Board has constituted Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Management Sub-Committee, Corporate Social Responsibility Committee & Risk Management Committee to look into various aspects for which they have been constituted.

In compliance to the Companies Act, 2013 and/or the Listing Regulations, as applicable, Board's approvals are obtained and Minutes of the Committee meetings, Minutes of the subsidiaries meetings are regularly placed before the Board. Further matters which are of significant importance are also placed before the Board.

According to Section 165 of the Companies Act, 2013, no person, after the commencement of this Act, shall hold office as a director, including any alternate directorship, in more than twenty companies at the same time. Provided that the maximum number of public companies

in which a person can be appointed as a director shall not exceed ten). For reckoning the limit of public companies in which a person can be appointed as director, directorship in private companies that are either holding or subsidiary company of a public company shall be included.

Further, under Regulation 25 of the Listing Regulations, a person shall not serve as an independent director in more than seven listed companies. Any person who is serving as a whole time director of any listed company shall serve as an independent director in not more than three listed companies.

Also, under Regulation 26 of the Listing Regulations, Directors can hold membership of not more than ten Committees or act as a Chairperson of not more than five Committees across all listed entities and for the purpose of determination of limit, chairpersonship and membership of the audit committee and the Stakeholders' Relationship Committee alone shall be considered.

Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility' as specified under Regulation 16(1)(b) & 25(6) of the Listing Regulations.

The Board and its committees are constituted in compliance of the provisions of the Companies Act, 2013 and the Listing Regulations. None of the Directors are disqualified under Section 164(2) of the Companies Act, 2013, read together with the Companies (Appointment & Qualification of Directors) Rules, 2014.

Necessary disclosures have been received from all the Directors in compliance to the aforesaid requirements.

Composition of Board and Directorship held as on March 31, 2016

Director's Name (DIN)	Designation	Directorships <sup>Ⓓ</sup>	Committee Memberships <sup>#</sup>	Chairmanship of Committees <sup>#</sup>
Mr. Ravi Puravankara <sup>§</sup> (00707948)	Chairman (E)	7	1	-
Mr. Ashish Ravi Puravankara <sup>§</sup> (00504524)	Managing Director (E)	11	3	-
Mr. Nani R. Choksey (00504555)	Joint Managing Director (E)	12	3	-
Mr. RVS Rao (00061599)	Independent Director (NEID)	7	7	4
Mr. Pradeep Guha (00180427)	Independent Director (NEID)	13	4	-
Dr. Suchitra Kaul Misra** (02254365)	Independent Director (NEID)	6	3	-

§ Mr. Ashish Ravi Puravankara is the son of Mr. Ravi Puravankara. There are no other inter-se relationships between the Directors of the Company.

E - Executive Director, NEID - Non- Executive Independent Director

\*\* Dr. Suchitra Kaul Misra was appointed as Director (Non-Executive Independent Woman Director) of the company with effect from March 21, 2016

Ⓓ Denotes Directorships in public companies and private companies pursuant to Section 165 of the Companies Act, 2013.

# Denotes Memberships of Audit Committee and Stakeholders Relationship Committee only of Indian public limited companies listed/ unlisted pursuant to Regulation 26 of the Listing Regulations, Chairmanship of Audit Committee and Stakeholders Relationship Committee only of Indian listed companies

Meetings - Board of Directors

According to Section 173 of the Companies Act, 2013, four Board Meetings are required to be held every year in such a manner that not more 120 days shall intervene between two consecutive meetings.

According to Regulation 17(2), the maximum time gap between any two Board Meetings cannot be more than 120 Days, which has been complied with. Further, the quorum for the Board Meeting is one-third (1/3<sup>rd</sup>) of the Total Strength (excluding interested Directors, (if any) (or) 2 Directors, whichever is higher.

Board Meetings of the Company are normally held at the Corporate Office of the Company located at Bengaluru.

During the year 4 Meetings of the Board of Directors were convened and held on May 15, 2015, August 14, 2015, November 06, 2015 and February 12, 2016. The meetings of the Board vis-a-vis attendance of the directors are provided herein below:

Board Meetings (BM) / Annual General Meeting (AGM) during the Financial Year

BM Date	15 May 2015	14 August 2015	06 November 2015	12 February 2016	BM's Held	BM's Attended	Attendance at the last AGM
BM Place	Bengaluru	Bengaluru	Bengaluru	Bengaluru			
Mr. Ravi Puravankara	x	√	√	x	4	2	x
Mr. Ashish Ravi Puravankara	√	√	√	√	4	4	√
Mr. Nani R Choksey	√	√	√	√	4	4	√
Mr. Anup S Shah*	√	N.A.	N.A.	N.A.	4	1	x
Mr. R V S Rao	√	√	√	√	4	4	√
Mr. Pradeep Guha	x	√	√	√	4	3	√
Mrs. Geetanjali Vikram Kirloskar*	x	x	x	N.A.	4	0	x
Total Board Strength	7	6	6	5			
No. of Directors Present	4	5	5	4			

BM - Board Meeting AGM - Annual General Meeting

\* Resigned as Independent Director of the Company- Mr. Anup S. Shah w.e.f. the Closing Hours of July 21, 2015 and Mrs. Geetanjali Vikram Kirloskar w.e.f. the closing hours of December 22, 2015

## Circular Resolutions passed by the Board of Directors

Sl. No.	Date of Resolution	Item of Business	Passed on
1.	06.04.2015	To consider and approve the sale of the entire investment of 10,000 equity shares of ₹10 each, for a consideration of ₹1 lakh in Purva Good Earth Properties Private Limited (a wholly owned subsidiary of the company) to Provident Housing Ltd. (a wholly owned subsidiary of the company)	06.04.2015
2.	18.11.2015	Incorporation of Subsidiaries	19.11.2015
3.	28.12.2015	To consider and accept resignation of Mrs. Geetanjali Vikram Kirloskar, Non Executive Independent Woman Director	29.12.2015
4.	21.03.2016	To consider and approve appointment of Dr. Suchitra Kaul Misra (DIN: 02254365), a Director in the capacity as a Non-Executive Independent Woman Director of the Company	21.03.2016

During the year, separate meeting of the Independent Directors was held on March 31, 2016 without the attendance of non-independent directors and members of the management. All Independent Directors attended the said meeting.

### Remuneration to Whole-time Directors & Independent Directors

Remuneration to the Managing Director and Whole-time Directors and Independent Directors: for the Financial Year 2015-16 are tabulated as below.

The payment of remuneration to the Managing Director and Whole-time Directors is governed by the resolution recommended by the Board and approved by the Shareholders.

Pecuniary Relationship of Non-Executive Directors: The Company has no pecuniary relationship or transaction with its Non-Executive & Independent Directors other than payment of sitting fees to them for attending Board and Committee meetings and Commission as approved by members for their invaluable services to the Company.

Further to the approval of the shareholders at the AGM held on September

22, 2014 for payment of remuneration to Non-Executive Independent Director (for a period of five years (in the form of commission and sitting fee) as required under the said Act and the rules made thereunder, the Board of Directors at their meeting held on May 27, 2016 approved the payment of Commission of ₹33,03,555 on prorata basis, wherever applicable, to the Independent Directors of the Company for the financial year ended March 31, 2016. The Non-executive directors are paid remuneration based on their contribution and current trends.

Further, each of the Independent Directors were paid sitting fees of ₹1,00,000 for attending Meetings of the Board of Directors & Audit Committee held during the financial year April 1, 2015 to March 31, 2016.

Mr. Anup S Shah resigned as Independent Director of the Company, w.e.f. July 21, 2015, and till that date, for various professional services rendered by M/s. Anup S Shah Law Firm of which Mr. Anup S Shah is a partner the Company and Provident Housing Limited, a wholly owned subsidiary of the Company paid a sum of ₹11,634,319 and ₹733,650 respectively.

## Summary of Compensation paid to Directors for the Financial Year 2015-16

₹ Crores

Name	Total Gross Remuneration	Contribution to Provident Fund	Incentive/ Commission**	Sitting Fee	Total
Mr. Ravi Puravankara <sup>#</sup>	2.48	0.11			2.59
Mr. Ashish Ravi Puravankara <sup>#</sup>	1.39	0.002			1.40
Mr. Nani R Choksey <sup>#</sup>	1.40	0.09			1.49
Mr. Anup Shah <sup>*</sup>			0.00	0.01	0.01
Mr. RVS Rao			0.12	0.05	0.17
Mr. Pradeep Guha			0.12	0.04	0.16
Mrs. Geetanjali Vikram Kirloskar <sup>*</sup>			0.09	0.00	0.09
Dr. Suchitra Kaul Misra <sup>@</sup>			0.004	0.01	0.01
<b>Total</b>	<b>5.27</b>	<b>0.202</b>	<b>0.33</b>	<b>0.11</b>	<b>5.94</b>

\* Resigned as Independent Director of the Company- Mr. Anup S. Shah w.e.f. the Closing Hours of July 21, 2015 and Mrs. Geetanjali Vikram Kirloskar w.e.f. the closing hours of December 22, 2015

@ Appointed as Director (Non-Executive Independent Woman Director) of the Company.

\*\* Amount outstanding

# Executive Directors are not eligible as per shareholders resolution to receive incentive/commission/sitting fees and hence not paid the same.



### Period of tenure of the Managing Director and the Whole-time Directors

The Members of the Company in their 29<sup>th</sup> Annual General Meeting of the Company held on 24 September 2015, approved the re-appointment of the Chairman, Managing Director and Joint Managing Director of the Company for a period of 5 years commencing from April 1, 2016 – March 31, 2021.

The total of the shares issued by the Company as on March 31, 2016 are 23,71,49,686 shares. Below mentioned are the shares and stock options held by Directors as on March 31, 2016.

### Shares & Stock Options held by the Directors as on March 31, 2016.

Name	Equity Shares	Percentage of Shareholding	Stock Options
Mr. Ravi Puravankara <sup>^</sup>	17,78,52,904	74.9960%	N.A
Mr. Ashish Ravi Puravankara	4,800	0.0020%	N.A
Mr. Nani R. Choksey	1,920	0.0008%	N.A
Mr. Anup S Shah*	Nil	N.A.	N.A
Mr. RVS Rao <sup>#</sup>	2,000	0.0008%	N.A
Mr. Pradeep Guha	Nil	N.A.	N.A
Mrs. Geetanjali Vikram Kirloskar *	Nil	N.A.	N.A
Dr.Suchitra Kaul Misra	Nil	N.A	N.A

<sup>^</sup> The Institutional Placement Programme (IPP) of the Company was completed on 28 May, 2013 and the Offer for Sale (OFS) by Mr. Ravi Puravankara was completed on 23 May, 2013, as a result of this the Shareholding of Mr. Ravi Puravankara got reduced to 74.9960%.

<sup>#</sup> held jointly with Mrs. Lakshmi R. Rao, spouse of Mr. RVS Rao.

\* Resigned as Independent Director of the Company- Mr. Anup S. Shah w.e.f. the Closing Hours of July 21, 2015 and Mrs. Geetanjali Vikram Kirloskar w.e.f. the closing hours of December 22, 2015

### Code of Conduct – Board Members & Senior Management

The Board has laid down a Code of Conduct for the Board of Directors and the Senior Management of the Company which is also placed on the website of the Company. All the Board members and the Senior Management have affirmed compliance with the Code for the year ended March 31, 2016.

Declaration by Managing Director & Chief Executive Officer and Chief Financial Officer is annexed to this report.

### Whistle Blower policy

During October, 2013, the Board adopted the Whistle blower policy and the same has been posted on the Intranet of the Company. We have established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of our Code of Conduct and Ethics with adequate safeguards against the victimization of employees and allows direct access to the Chairperson of the Audit Committee in exceptional cases. The Policy has been appropriately communicated to the employees within the organisation.

We further affirm that no employee has been denied access to the Audit Committee during the fiscal year 2015-16.

### 4. COMMITTEES OF THE BOARD OF DIRECTORS

The Company has the following committees of the Board;

- Audit Committee
- Stakeholders Relationship Committee
- Nomination and Remuneration Committee
- Management Sub-Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

#### i. Audit Committee:

The Audit Committee was constituted on April 9, 2003 & its meetings are normally held at the Corporate Office of the Company located at Bengaluru, and precedes the meeting of Board of Directors.

According to Regulation 18 of the Listing Regulations and u/s 177 of the Companies Act, 2013, every listed company is required to constitute an Audit Committee to review the Quarterly, Half-yearly and Annual Financial statements.

According to Regulation 18(2)(a) of the Listing Regulations, the Audit Committee should meet at least four times in a year and not more than 120 days shall elapse between two meetings, which has been complied with.

Regulation 18 of the Listing Regulations makes it mandatory to constitute an Audit Committee. The Audit committee reviews information as per the role stated in the Listing Regulations and the broad role of the said Committee is to review:

- financial reporting process;
- adequacy of internal control systems;
- the financial statements for approval of the Board; and
- the performance of statutory and internal auditors.
- review as per mandatory requirement stated in the Listing Regulations.

The Committee comprised of Mr. RVS Rao, Mr. Anup S. Shah, Mr. Pradeep Guha and Mr. Ravi Puravankara as the members. Mr. Anup S Shah who was the Chairman of the Committee resigned with effect from the closing hours of July 21, 2015 and Mr. RVS Rao has been appointed as the chairman of the committee with effect from August 14, 2015. Dr. Suchitra Kaul Misra was appointed as member of the Committee w.e.f. May 27, 2016. The Company Secretary of the company, acts as the Secretary of the Committee. Under Regulation 18(2)(a) of the Listing Regulations, the quorum for the Meeting is one-third of the Members on the Committee (or) two Members, whichever is higher and also that at least two Independent Members should be present.

During the year four Audit Committee Meetings were convened and held on May 15, 2015, August 14, 2015, November 6, 2015 and February 12, 2016. The meetings of the Audit Committee vis-a-vis attendance of the members are provided herein below. Mr. R V S Rao represented the Audit Committee as its Chairman to answer shareholders' queries in the Annual General Meeting of the Company held on September 24, 2015.

### Audit Committee Meetings (ACM) during the Financial Year

ACM	1	2	3	4		
Date of Meeting	15 May 2015	14 August 2015	6 November 2015	12 February 2016	ACM's Held	ACM's Attended
Mr. Anup S. Shah*	√	x	x	x	4	1
Mr. R V S Rao	√	√	√	√	4	4
Mr. Pradeep Guha	x	√	√	√	4	3
Mr. Ravi Puravankara	x	√	√	x	4	2
Total Committee Strength	4	3	3	3		
No. of Members Present	2	3	3	2		

\*Mr. Anup S. Shah Resigned as Independent Director of the Company w.e.f. the Closing Hours of July 21, 2015

### ii. Stakeholders Relationship Committee:

The Investor Grievance Committee was constituted on December 26, 2006 and title of the Committee was changed from Investor Grievance Committee to Stakeholders Relationship Committee vide a Resolution passed at the Board Meeting held on 16 May 2014. Its meetings are normally held at the Corporate Office of the Company located at Bengaluru, before the Board Meeting.

The Committee comprises of Mr. RVS Rao, Mr. Nani R. Choksey and Mr. Ashish Ravi Puravankara as the members. Mr. RVS Rao acts as the Chairman of the Committee. The Company Secretary of the company, acts as the Secretary of the Committee and is also the Compliance Officer of the Company. Further, the quorum for the Stakeholders Relationship Committee Meetings is 2 Members.

According to Regulation 20 of the Listing Regulations, it is mandatory to constitute a Stakeholders Relationship Committee. The basic function of the Committee is to consider and resolve the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

During the year four meetings of the Stakeholders Relationship Committee were convened and held on May 15, 2015, August 14, 2015, November 6, 2015 and February 12, 2016. The meetings of the Stakeholders Relationship Committee vis-a-vis attendance of the members are provided herein below.

### Stakeholders Relationship Committee Meetings during the Financial Year

SRC	1	2	3	4		
Date of Meeting	15 May 2015	14 August 2015	6 November 2015	12 February 2016	SRC's Held	SRC's Attended
Mr. R V S Rao	√	√	√	√	4	4
Mr. Ashish Ravi Puravankara	√	√	√	√	4	4
Mr. Nani R. Choksey	√	√	√	√	4	4
Total Committee Strength	3	3	3	3		
No. of Members Present	3	3	3	3		

SRC - Stakeholders Relationship Committee

Brief summary on the Stakeholders Grievances - are as summarised hereunder:

### Stakeholders Grievances – Sources of Complaints:

Particulars	Balance as on 1 April 2015	Received during the year	Resolved during the year	Balance as on 31 March 2016
Complaints Received	0	3	3	0
<b>Total</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>0</b>

### iii. Nomination and Remuneration Committee:

The Compensation Committee was constituted on 28 June 2006 and title of the Committee was changed from Compensation Committee to Nomination and Remuneration Committee vide a Resolution passed at the Board Meeting held on 16 May 2014.

The Committee was comprised with Mr. Ravi Puravankara, Mr. RVS Rao, Mr. Anup S Shah and Mr. Pradeep Guha as the members. Mr. Anup S Shah resigned as Director with effect from the closing hours of July 21, 2015. Mrs. Geetanjali Kirloskar was appointed a member of the committee with effect from August 14, 2015. Further Mrs. Geetanjali Kirloskar resigned as Director with effect from December 22, 2015. Dr. Suchitra Kaul Misra was appointed as Member of the Committee with effect from March 21, 2016.

Mr. Pradeep Guha, acts as the Chairman w.e.f. May 16, 2014 and the Company Secretary, acts as the Secretary of the Committee. The quorum for the Nomination and Remuneration Committee Meeting is 2 members.

#### Objectives of the Nomination and Remuneration Policy

The Committee assists the Board in establishing remuneration policies and practices broadly relating to:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Nomination & Remuneration Policy is placed on the Company's website - [www.puravankara.com](http://www.puravankara.com)

During the year three meetings of the Nomination and Remuneration Committee were convened and held on May 15, 2015, August 14, 2015 and February 12, 2016. The meetings of the Nomination and Remuneration Committee vis-a-vis attendance of the members are provided herein below.

#### Nomination and Remuneration Committee Meetings during the Financial Year

NRC	1	2	3		
Date of Meeting	15 May 2015	14 August 2015	12 February 2016	NRC's Held	NRC's Attended
Mr. Ravi Puravankara	x	√	x	3	1
Mr. RVS Rao	√	√	√	3	3
Mr. Anup S Shah*	√	x	x	3	1
Mr. Pradeep Guha	x	√	√	3	2
Mrs. Geetanjali Vikram Kirloskar*	x	x	x	3	0
Total Committee Strength	4	4	3		
No. of Members Present	2	3	2		

#### NRC -Nomination and Remuneration Committee

\* Resigned as Independent Director of the Company- Mr. Anup S. Shah w.e.f. the Closing Hours of July 21, 2015 and Mrs. Geetanjali Vikram Kirloskar w.e.f the closing hours of December 22, 2015

#### Performance Evaluation

The criteria for performance evaluation cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation of the Directors who are subject to evaluation had not participated.

#### iv. Management Sub-Committee

The Management Sub-Committee was constituted on March 29, 2007 and its Meetings are normally held at the Corporate Office of the Company located at Bengaluru.

The Committee comprises of Mr. Ravi Puravankara, Mr. Nani R. Choksey and Mr. Ashish Ravi Puravankara as the members. The Company Secretary of the company, acts as the Secretary of the Committee. Further the quorum for the Management Sub-Committee Meetings is 2 Executive Directors.

The Management Sub-Committee of the Board of Directors has been vested with executive powers to manage all matters pertaining to investments, formation of subsidiaries, borrowings (other than debentures), statutory compliances and other routine business activities.

#### v. Corporate Social Responsibility (CSR) Committee

At the meeting of its Board of Directors held on August 7, 2014, the CSR Committee was constituted. The CSR is currently constituted with the following Directors:

1. Mr. Ashish Ravi Puravankara
2. Mr. Nani R. Choksey
3. Mr. RVS Rao

The Company Secretary of the company, acts as the Secretary of the Committee.

Mr. Anup S Shah resigned as the member of the committee with effect from the closing hours of July 21, 2015. Mr. R.V.S. Rao was appointed a member of the committee with effect from August 14, 2015.

The terms of reference of the CSR Committee are:

- (a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013;
- (b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and

- (c) Monitor the Corporate Social Responsibility of the company from time to time.

The Policy on Corporate Social Responsibility as approved by the Board may be accessed on the Company's website at the link: <http://www.puravankara.com>.

During the year one meeting of the Corporate Social Responsibility Committee was convened and held on March 31, 2016.

#### vi. Risk Management Committee

At the meeting of its Board of Directors held on 22 September 2014, Risk Management Committee consisting the following Directors was formed:

1. Mr. Ashish Ravi Puravankara
2. Mr. Nani R Choksey
3. Mr. Anup S. Shah
4. Mr. RVS Rao
5. Mr. Pradeep Guha

The Company Secretary of the Company, acts as the Secretary of the Committee. During the year, meetings of Risk Management Committee were not held.

Mr. Anup S Shah resigned as the member of the committee with effect from the closing hours of July 21, 2015.

The Risk Management Committee is entrusted with a responsibility to assist the board by:

- a) ensuring that all the Current and Future Material Risks of the Company are Identified, Assessed/ Quantified and effective steps are taken to Mitigated / Minimized the effects emanating from such Risks, to assure business Growth with financial stability.
- b) enabling compliance with appropriate Regulations, wherever applicable.

Listing Regulations require top 100 listed companies to have a Risk Management Committee. The Company is not under the said list.

## 5. GENERAL BODY MEETINGS:

Details of Annual General Meetings (AGM) held during the last 3 Years are as follows:

Financial Year	Nature of Meeting	Day, Date & Time	Venue	Special Resolutions
2014-2015	29 <sup>th</sup> AGM	Thursday, 24 September 2015 @ 12.00 Noon	The Taj West End Hotel, # 25, Race Course Road, Bengaluru - 560 001.	To approve Joint Venture Agreement with Keppel Puravankara Development Private Limited
2013-2014	28 <sup>th</sup> AGM	Monday, 22 September 2014 @ 12.00 Noon	The Taj West End Hotel, # 25, Race Course Road, Bengaluru - 560 001.	To approve payment of Remuneration to non-executive independent directors
2012-2013	27 <sup>th</sup> AGM	Tuesday, 24 September 2013 @ 12.00 Noon	The Taj West End Hotel, # 25, Race Course Road, Bengaluru - 560 001.	Nil

### Extra-Ordinary General Meeting (EGM):

During the year, no Extra-Ordinary General Meeting (EGM) was held.

### Passing of Resolutions by Postal Ballot:

During the year the company had issued 1 postal ballot notice and the details of the resolution passed thereon is as summarised hereunder:

#### Postal Ballot notice on – February 12, 2016

Particulars	Votes cast in favour		Votes cast against		Date of Declaration	Name of the Scrutinizer
	No. of Votes	%	No. of Votes	%		
To Amend the Articles of Association of the Company	19,77,86,241	97.31%	54,77,059	2.69%	28 Mar 2016	Mr. Nagendra Rao, PCS

The Company provides electronic voting facility to all its members and engaged NSDL to provide the service. Members are also given the option to vote by physical ballot. Postal ballot notice is sent to members whose email address is registered with the registrar and transfer agent and the company also publishes the requisite notice in newspaper. The procedure in compliance of section 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules is followed by the Company.

### 6. COMPLIANCE & DISCLOSURES

- The Company has complied with all the requirements, to the best of its knowledge and understanding, of the Listing Agreement entered into with the Stock Exchanges and the regulations & guidelines issued by the Securities Exchange Board of India (SEBI). The Stock Exchanges, SEBI or any other statutory authority have not imposed any penalties or strictures relating to capital market transaction since listing of the equity shares.
- There are no materially significant related party transactions entered by the Company with related parties that may have a potential conflict with the interests of the Company.
- The Company has duly complied with the requirements of the regulatory authorities on capital market. There are no penalties imposed nor any strictures have been passed against the Company during the last three years.
- The Consolidated Auditors' Report and the Standalone Auditors' Report to the shareholders for the year ended March 31, 2016, has a qualification in respect of internal financial controls over financial reporting. The qualification pertains to absence of specific vendor balance confirmation on the write back of creditor balances in the Profit and Loss Account as income. The Company is very clear that these balances are not payable and has carried these balances in the books of account for period in excess of five years post which it was decided to write back such amounts into the Profit and Loss Account. The impact of such write-back does not have any material impact on the financial results of your Company.
- The policy for determining material subsidiaries, policy on dealing with related party transactions and other applicable policies are displayed on the Company's Website [www.puravankara.com](http://www.puravankara.com). The details of familiarisation programmes imparted to Independent Directors are also disclosed on the Company's Website.

6. The Mandatory requirements laid down in Clause 49 of the Listing Agreement/ SEBI Regulations for Corporate Governance have been duly complied by your Company and the status on adoption of non-mandatory requirements are as follows:

- The Company has an Executive Chairman.
- The Company does not send Half-yearly financial results, including summary of significant events in the last six months since the same are being posted on the website of the Company as well as published in newspapers.
- Mr. Ravi Puravankara was the Chairman and Managing Director of the company during the financial year and up to 15 May 2015. Consequent to the Corporate Restructuring w.e.f 15 May 2015, Mr. Ravi Puravankara continues to be the Chairman of the Company, while Mr. Ashish Ravi Puravankara was appointed as the Managing Director of the Company w.e.f the said date. Mr. Ashish Ravi Puravankara also holds the office as the Chief Executive Officer of the Company. The tenure of office of the Executive Directors was completed on March 31, 2016. The Members of the Company at their meeting held on September 24, 2015 approved the reappointment of Mr. Ravi Puravankara, Chairman, Mr. Ashish Ravi Puravankara, Managing Director and Mr. Nani R Choksey, Joint Managing Director for the period of 5 years w.e.f April 1, 2016 till March 31, 2021.
- The Internal Auditor directly reports to the Audit Committee.

### 7. MEANS OF COMMUNICATION

#### (a) Financial Results:

The Financial Results (Quarterly, Half yearly & Yearly), post approval of the Board of Directors are furnished to NSE / BSE, within 15/30 Minutes after the completion of the Board Meeting.

Further, the financial results of the Company are normally published in "Financial Express & Samyukta Karnataka" within 48 hours after their approval by the Board and are displayed on the Company's website - [www.puravankara.com](http://www.puravankara.com) along with Audited Financial Statements, Results Advertisement and Investor Corporate presentations.

#### (b) Other Business updates including New Project Launches:

These are disseminated through NSE (<http://www.nseindia.com>).

com/) & BSE. (<http://www.bseindia.com/>) and also updated in the company's website.

**(c) Presentations made to Institutional Investors/ Analysts**

These are disseminated through NSE (<http://www.nseindia.com/>) & BSE. (<http://www.bseindia.com/>) and also updated in the company's website

**8. GENERAL SHAREHOLDER INFORMATION**

**Outstanding GDRs / ADRs / Warrants / any other Convertible Instruments**

The Company has not issued any GDRs / ADRs / Warrants / any convertible instruments.

**Commodity price risk or foreign exchange risk and hedging Activities**

The company has foreign exchange risk management policies in place

to manage its exposure to exchange rate fluctuations which includes hedging contracts.

**Plant Locations**

As Puravankara belongs to real estate development industry, we do not have any plant locations.

We have various projects spread across Bengaluru, Chennai, Hyderabad, Kochi, Kolkata, Coimbatore, Mysore, Mumbai, Pune and Colombo. We have our branch offices at Bengaluru, Chennai, Kochi, Mumbai, Coimbatore, Colombo and the UAE.

**Share Transfer System**

The share transfers in physical form are processed within a period of 15 days from the date of receipt subject to the documents being valid and complete in all respects.

**Equity Shares in Suspense Account**

As per Part F of Schedule V of the Listing Regulations, details of Equity shares lying in the suspense account as on March 31, 2016 is as follows:

Particulars	Aggregate No. of Shareholders and the outstanding shares in the suspense Account lying as on 1 April 2015	No. of Shareholders who approached the Company for transfer of shares from suspense account during the year.	No. of Shareholders to whom shares were transferred from suspense account during the year.	Aggregate No. of Shareholders and the outstanding shares in the suspense Account lying as on 31 March 2016
No. of Shareholders	21	-	-	21
No. of Shares	510	-	-	510

**Suspense Account Details:**

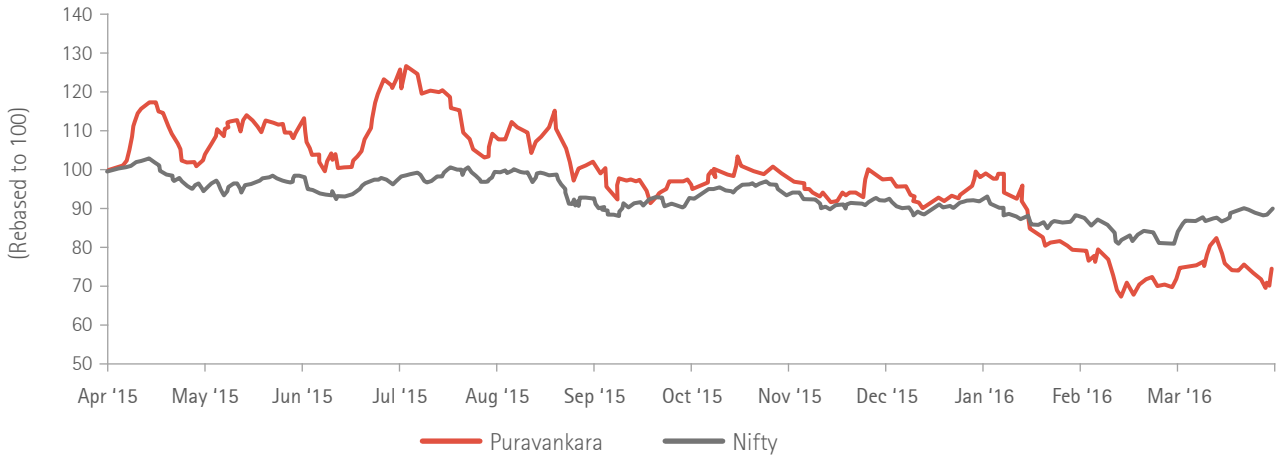
Bank Name	HDFC Bank Ltd.
Current Account No.	05230350002129
Current Account	Puravankara Projects Limited Unclaimed Suspense A/c
DP	HDFC Bank Ltd.
DP ID	ID IN301549
Demat Account No.	IN301549 37397596

**Details of Shares in Dematerialisation & Physical Form as on 31 March 2016:**

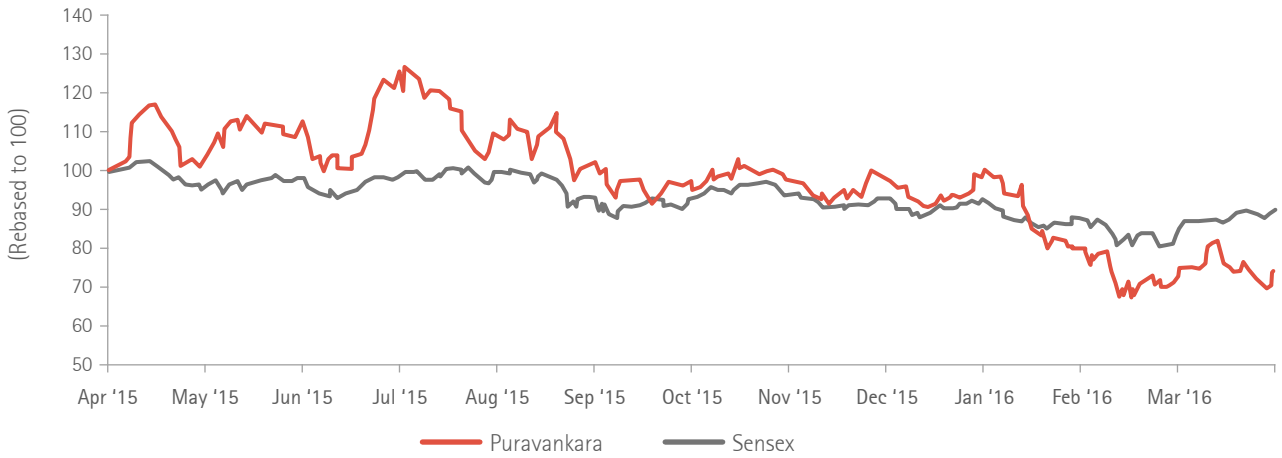
Particulars	No. of Share Holders	No. of Shares	%
NSDL	17,177	234,841,935	99.0269
CDSL	7,475	2,307,349	0.9730
Physical	6	402	0.0001
<b>Total</b>	<b>24,818</b>	<b>237,149,686</b>	<b>100.00</b>



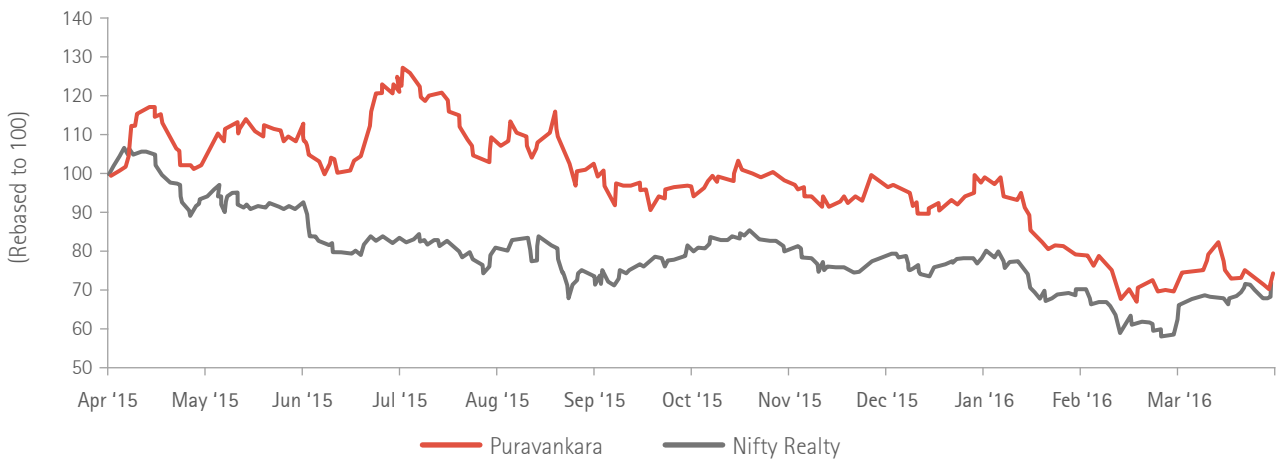
Puravankara vs. Nifty



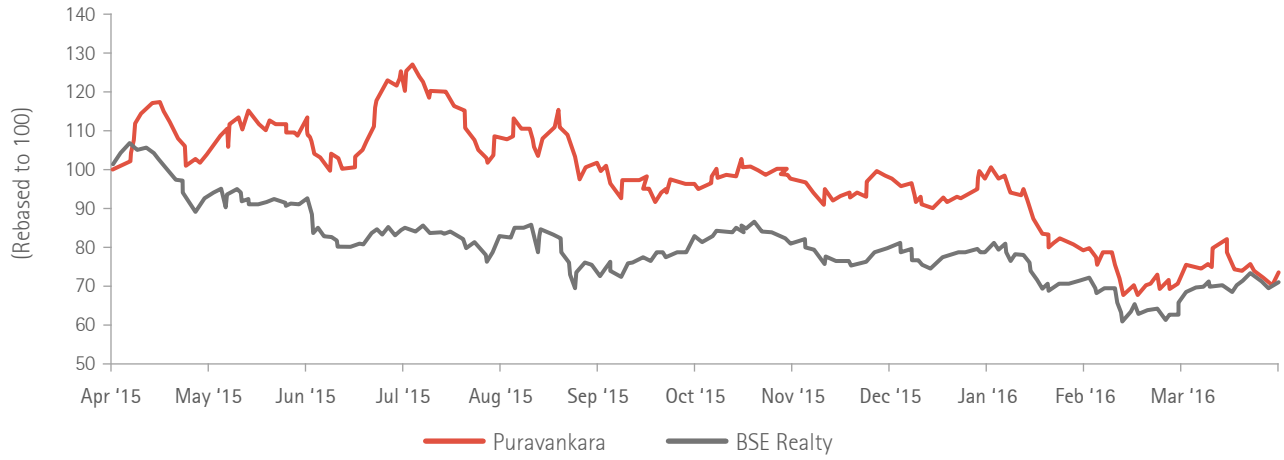
Puravankara vs. Sensex



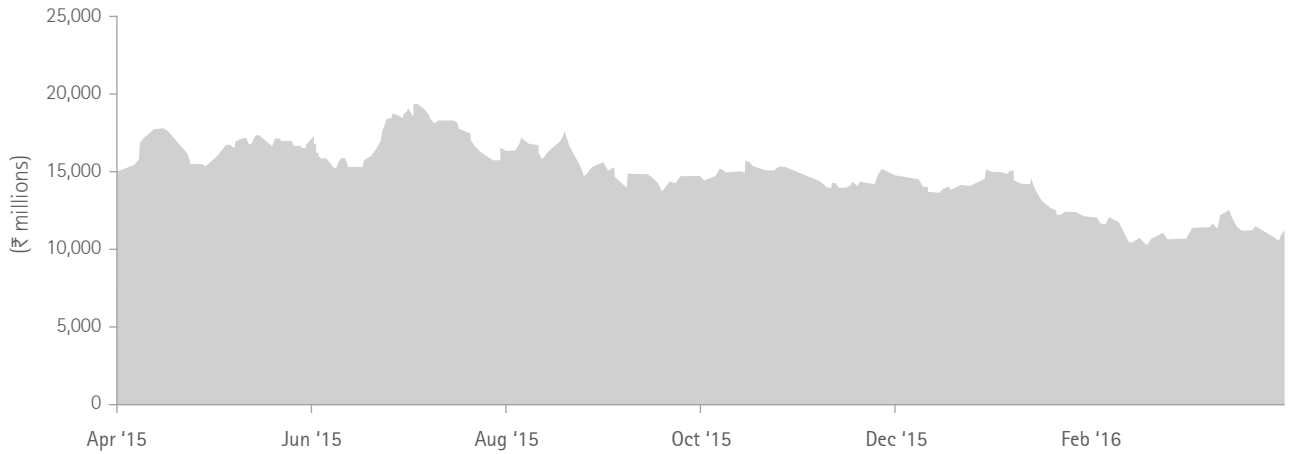
Puravankara vs. Nifty Realty



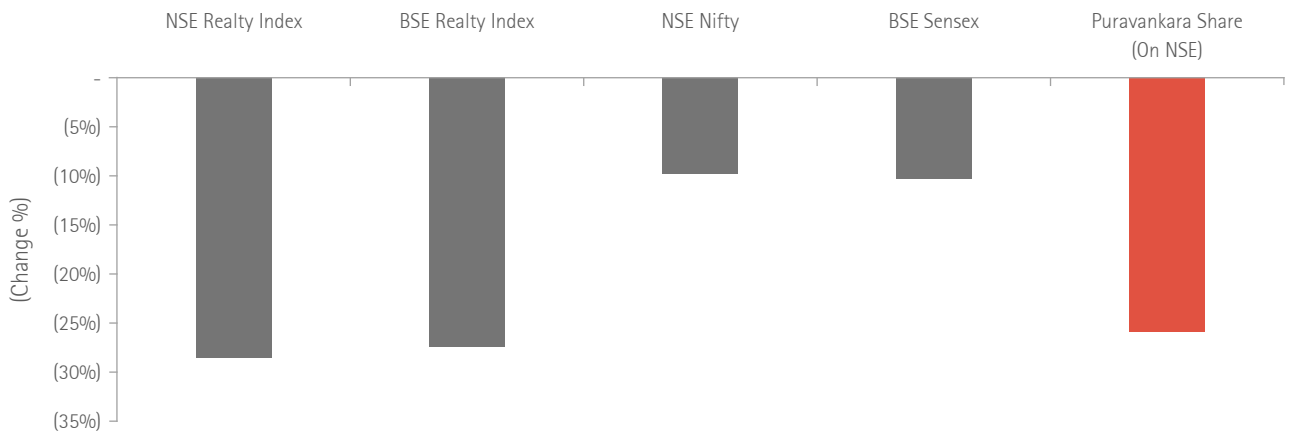
Puravankara vs. BSE Realty



Market Capitalization (NSE) for year ended 31 March 16



(% Change: 1 April 15 – 31 March 2016)



Market Price Data and Performance - Bombay Stock Exchange Ltd. (BSE)

Month	High	Low	No. of Shares	Total Turnover (₹ in lakhs)
Apr-15	78.00	62.30	1,761,308	1,228.15
May-15	74.70	66.25	222,623	157.57
Jun-15	81.00	63.30	454,331	324.86
Jul-15	87.75	65.20	972,905	730.62
Aug-15	76.20	58.15	441,043	309.97
Sep-15	66.85	57.80	208,716	129.26
Oct-15	68.90	60.55	413,751	268.96
Nov-15	65.30	58.10	328,453	207.00
Dec-15	64.90	57.40	275,437	167.30
Jan-16	65.70	50.70	1,618,182	995.72
Feb-16	51.70	42.10	158,046	73.29
Mar-16	53.50	44.30	2,480,085	1,206.22

Market Price Data and Performance - National Stock Exchange Ltd. (NSE)

Month	High	Low	No. of Shares	Total Turnover (₹ in lakhs)
Apr-15	79.90	62.00	4,858,950	3,435.31
May-15	74.35	66.10	809,214	571.78
Jun-15	81.50	63.00	1,803,205	1,319.28
Jul-15	87.75	65.15	2,252,200	1,769.57
Aug-15	76.30	56.80	1,851,101	1,290.53
Sep-15	66.90	57.40	4,514,960	2,792.71
Oct-15	69.25	60.45	1,817,652	1,178.70
Nov-15	65.50	57.75	1,457,781	913.93
Dec-15	65.00	57.00	2,441,931	1,497.40
Jan-16	66.20	50.25	2,602,392	1,573.23
Feb-16	51.70	42.50	460,768	217.08
Mar-16	53.50	44.05	3,441,873	1,677.69

NSE and BSE data on volume and value

Month	Total Volume (shares)	Total Value (₹ in lakhs)
Apr-15	6,620,258	4,663.46
May-15	1,031,837	729.35
Jun-15	2,257,536	1,644.14
Jul-15	3,225,105	2,500.19
Aug-15	2,292,144	1,600.50
Sep-15	4,723,676	2,921.97
Oct-15	2,231,403	1,447.66
Nov-15	1,786,234	1,120.93
Dec-15	2,717,368	1,664.70
Jan-16	4,220,574	2,568.95
Feb-16	618,814	290.37
Mar-16	5,921,958	2,883.91

### Shareholding Pattern (SHP) as on 31 March 2016

Category of Shareholder	No. of Shareholders	No. of Equity Shares	%
<b>Promoter:</b>			
Mr. Ravi Puravankara*	1	17,78,52,904	74.9961%
Relatives of Promoter*	4	9,360	0.0039%
<b>Public – Institutions:</b>			
Foreign Institutional Investors	19	2,46,61,730	10.3992%
Insurance Companies	2	18,81,275	0.7933%
Mutual Funds	10	97,24,003	4.1004%
Financial Institutions / Banks	2	31,564	0.0133%
<b>Public – Non-institutions:</b>			
Individual Shareholders	23,260	50,34,378	2.1229%
HUF	596	2,39,235	0.1009%
Bodies Corporate	266	57,30,343	2.4163%
Clearing Members	136	4,26,041	0.1797%
Non Resident Indians (Repat)	273	2,92,308	0.1233%
Non Resident Indians (Non Repat)	73	36,230	0.0153%
Foreign Portfolio Investor (Corporate)	14	1,12,26,395	4.7339%
Directors	2	3,920	0.0017%
<b>Total</b>	<b>24,658</b>	<b>23,71,49,686</b>	<b>100.00%</b>

\*Shares held Directly & are not pledged or encumbered.

### Top 10 Shareholders as on 31 March 2016

Sl. No.	Folio no	Shareholder' s name	Number of shares	%
1	IN30016710061500	Ravi Puravankara	17,78,52,904	74.9961
2	IN30016710106965	GHI LTP Ltd	74,44,498	3.1392
3	IN30016710121990	Atyant Capital India Fund I	68,94,932	2.9074
4	IN30016710049693	College Retirement Equities Fund - Stock Account	43,46,170	1.8327
5	IN30016710017678	Reliance Life Insurance Company Limited	42,38,441	1.7872
6	IN30014210438309	HSBC Global Investment Funds A/C HSBC GIF Mauritius Limited	36,98,185	1.5594
7	IN30014210743921	Vanderbilt University A/C Vanderbilt University - Atyant Capital Management Limited	32,59,952	1.3746
8	IN30016710107015	GHI JBD Ltd	24,90,748	1.0503
9	IN30016710081207	Reliance Capital Trustee Co. Ltd-A/C Reliance Small Cap Fund	22,36,417	0.9430
10	IN30081210000012	Life Insurance Corporation of India	18,33,765	0.7733

### Distribution of Shareholding (DS) as on 31 March 2016

Range of Equity Shares	No. Shareholder	%	No. of Equity Shares	%
1- 500	22,816	92.53%	20,74,667	0.87%
501 - 1000	930	3.77%	7,58,013	0.32%
1001- 2000	446	1.81%	6,82,195	0.29%
2001- 3000	129	0.52%	3,28,466	0.14%
3001 - 4000	81	0.33%	2,96,892	0.13%
4001 - 5000	62	0.25%	2,93,107	0.12%
5001 - 10000	83	0.34%	6,04,194	0.25%
10001 and above	111	0.45%	23,21,12,152	97.88%
<b>Total</b>	<b>24,658</b>	<b>100.00%</b>	<b>237,149,686</b>	<b>100.00%</b>

## Dividend History (₹)

Financial Year	Dividend (%)	Dividend per Share (₹)	Remarks
31 March 2016	15.61%	0.782	Final Dividend (Proposed)
31 March 2015	31.00%	1.55	Final Dividend
31 March 2014	38.40%	1.92	Final Dividend
31 March 2013	20.00%	1.00	Final Dividend
31 March 2013	50.00%	2.50	Interim Dividend on 10 May 2013 - (To all Shareholders other than Promoters & Promoter Group)
31 March 2012	20.00%	1.00	Final Dividend
31 March 2011	20.00%	1.00	Final Dividend
31 March 2010	20.00%	1.00	Final Dividend
31 March 2009	NIL	NIL	-
31 March 2008	40.00%	2.00	Final Dividend

## Share Capital – Past History

Date of allotment of Equity Shares	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of payment	Particulars of Issue Details	Cumulative Issued Capital (₹)	Cumulative Share Premium (₹)
03 June 1986	15	15	100	100	Cash	Allotment at subscription	1,500	Nil
27 April 1987	85	100	100	100	Cash	Preferential Allotment <sup>1</sup>	10,000	Nil
22 June 1992	4,900	5,000	100	100	Cash	Preferential Allotment <sup>2</sup>	5,00,000	Nil
20 March 1995	45,000	50,000	100	100	Cash	Preferential Allotment to Mr. Ravi Puravankara	50,00,000	Nil
23 June 1995	50,000	1,00,000	100	100	Cash	Preferential Allotment to Mr. Ravi Puravankara	1,00,00,000	Nil
23 March 2000	4,00,000	5,00,000	100	100	Cash	Preferential Allotment to Mr. Ravi Puravankara	5,00,00,000	Nil
29 March 2001	3,00,000	8,00,000	100	Nil	Bonus Issue in ratio of 3:5	Bonus issue	8,00,00,000	Nil
26 December 2006		1,60,00,000	5			Face Value per Equity Share reduced from ₹100 to ₹5 Per Equity Share <sup>3</sup>		
26 December 2006	17,60,00,000	19,20,00,000	5	Nil	Bonus Issue in ratio of 1:11	Bonus issue	96,00,00,000	Nil
26 December 2006	17,455	19,20,17,455	5	572.92	Cash	Preferential Allotment to Mr. Jaithirth Rao	96,00,87,275	99,13,043.60
31 July 2007	2,14,06,880	21,34,24,335	5	400	Cash	Public issue	1,06,71,21,675	7,98,88,11,915 <sup>5</sup>
28 May 2013	2,37,25,351	23,71,49,686	5	81	Cash	IPP Issue <sup>4</sup>	1,18,57,48,430	9,63,79,75,495 <sup>5</sup>

- 1 Preferential allotment of 75 Equity Shares to Mr. Ravi Puravankara and 5 Equity Shares each to Vasanti Puravankara and Satish Puravankara.
- 2 Preferential allotment of 4,885 Equity Shares to Ravi Puravankara and 5 Equity Shares each to Kunhambu Nair, Vishalakshi Puravankara and Chaula N. Choksey.
- 3 The authorised shares capital of ₹ 10,00,00,000 was increased to ₹ 1,20,00,00,000 consisting of 24,00,00,000 Shares of ₹5 each pursuant to a resolution of the shareholders passed at their EGM dated 23 December 2006.
- 4 The authorised shares capital of ₹ 1,20,00,00,000 was increased to ₹ 1,60,00,00,000 consisting of 32,00,00,000 Shares of ₹5 each pursuant to a resolution of the shareholders passed at their EGM dated 22 June 2009.
- 5 IPP Programme of the Company was completed on 28 May 2013 by allotting 23,725,351 Equity Shares of ₹5 each at a premium of ₹76 to the Qualified Institutional Buyers (QIB'S).

## Other Shareholder Information:

Financial Year	Remarks
Corporate Identification Number (CIN)	L45200KA1986PLC051571
Address - Registered Office & Corporate Office	<b>Registered Office:</b> Puravankara Projects Ltd., #130/1, Ulsoor Road, Bengaluru - 560042. <b>Corporate Office:</b> Puravankara Projects Ltd., #130/2, Ulsoor Road, Bengaluru - 560042.
<b>Annual General Meeting</b> Date, time and venue	Tuesday, the 27 September 2016 @ 11.30 a.m., at The Taj West End Hotel, # 25, Race Course Road, Bengaluru - 560 001, India.
Date of Book Closure	20 September 2016 to 27 September 2016 (both days inclusive).
Dividend Payment Date	Within a period of 30 days from the date of Declaration (i.e. 27 September 2016), to those Members whose names appear on the Register of Members as on 19 September 2016.
Financial Calendar (tentative) Results for Quarter Ending*:	
Jun 2016	First / Second week of Aug 2016
Sep 2016	First / Second week of Nov 2016
Dec 2016	First / Second week of Feb 2016
Mar 2017	First / Second week of May 2017
Annual General Meeting	Sep'2016
<i>* In addition, the Board may meet on other dates if there are Special Requirements.</i>	
Listing on Stock Exchanges	<p><b>a. Bombay Stock Exchange Ltd. (BSE)</b> Phiroze jeejeebhoy Towers, Dalal Street, Mumbai- 400001. Phones : 91-22-22721233/4, 91-22-66545695   Fax : 91-22-22721919</p> <p><b>b. National Stock Exchange of India Ltd. (NSE)</b> Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 Phones : 91-22-26598100 - 8114   Fax : 91-22-26598120</p> <p>Annual Listing Fee till the year 2016-17 has been paid with respect to both the aforesaid Stock Exchanges.</p>
Stock Code	a. NSE - PURVA, b. BSE - 532891
ISIN of the Company	Equity shares: INE323I01011
Address for Correspondence	Puravankara Projects Limited, # 130 / 1, Ulsoor Road, Bengaluru - 560 042. Tel: +91-80- 2559 9000 / 4343 9999   Fax: +91-80-2559 9350 Email: investors@puravankara.com   Website: www.puravankara.com
Registrar and Transfer Agent	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai-400078. Phone: 022 - 25946970   Fax: 022 - 25946969   Email: rnt.helpdesk@linkintime.co.in
SEBI	Securities and Exchange Board of India Plot No.C4-A,'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051. Tel : +91-22-26449000 / 40459000 / Toll Free: 1800 22 7575   Fax : +91-22-26449019-22 / 40459019-22 E-mail : sebi@sebi.gov.in
NSDL	National Securities Depository Ltd. Trade World, 4 <sup>th</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013. Tel.:(022) 2499 4200   Fax:(022) 2499 4972   Email: iifd@nsdl.co.in
CDSL	Central Depository Services (India) Limited Trade World, 28 <sup>th</sup> Floor, P.J. Towers, Dalal Street, Fort, Mumbai - 400 023 Tel.: ( 022 ) 2272 3333   Fax: ( 022 ) 2272 3199   Email:complaints@cdslindia.com

For and on behalf of the Board of Directors

**Ashish Ravi Puravankara**  
Managing Director & Chief Executive Officer  
DIN: 00504524

**Nani R. Choksey**  
Joint Managing Director  
DIN: 00504555

Bengaluru  
August 29, 2016

## CEO, CFO Certification pursuant to Regulations under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
The Board of Directors,  
**Puravankara Projects Limited,**  
Bengaluru.

Dear Members of the Board,

We, Ashish Ravi Puravankara, Chief Executive Officer and Managing Director and Hari Ramakrishnan, Chief Financial Officer, of Puravankara Projects Limited, hereby certify that to the best of our knowledge and belief:

1. We have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2016 and
2. These statements do not contain any materially untrue statement (or) omit any material fact (or) contain statements that might be misleading and
3. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
4. No transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.
5. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have been taken or proposed to rectify these deficiencies.
6. We have indicated to the Auditors and the Audit committee
  - (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - (3) that there are no instances of significant fraud of which we have become aware and hence no involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
7. We further declare that all Board Members and Senior Management personnel have affirmed compliance with the code of conduct for the Financial Year 2015-16.

-sd-

**Ashish Ravi Puravankara**  
*Managing Director & Chief Executive Officer*  
DIN: 00504524

Place: Bengaluru  
Date: May 19, 2016

-sd-

**Hari Ramakrishnan**  
*Chief Financial Officer*



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## Auditor's Certificate on Corporate Governance

To  
The Members of,  
**Puravankara Projects Limited**

We have examined the compliance of conditions of corporate governance by Puravankara Projects Limited ("the Company") for the year ended on 31 March 2016, as stipulated in:

- Clause 49 {excluding Clause 49 (VII) (E)} of the Listing Agreements of the Company with the stock exchanges ('Listing Agreements') for the period 01 April 2015 to 30 November 2015;
- Clause 49 (VII) (E) of the Listing Agreements for the period 01 April, 2015 to 01 September, 2015;
- Regulations 17 to 27 {excluding regulation 23(4)}, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 01 December 2015 to 31 March 2016; and
- Regulation 23(4) of the Listing Regulations for the period 02 September 2015 to 31 March 2016.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement and regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above during the year ended 31 March 2016.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

### Restriction on use

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **Walker Chandiok & Co LLP**  
(Formerly Walker, Chandiok & Co)  
Chartered Accountants  
Firm Registration No. 001076N/N500013

per **Sanjay Banthia**  
Partner  
Membership No.: 061068

Place: Bengaluru  
Date: August 29, 2016

## Contents

- 1 Global economic overview
- 2 Real estate industry in India
- 3 Brief organisational background
- 4 Awards and recognitions
- 5 Management's discussion of risks and concerns
- 6 Internal control systems and their adequacy
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- 8 Opportunities and threats
- 9 Discussion on financial conditions and results of operations
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- 12 Results of operations
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### 1. GLOBAL ECONOMIC OVERVIEW

The global recovery has weakened further amid increasing financial turbulence thereby dimming growth prospects throughout the world. Global growth for 2016 is projected at 2.40 per cent, unchanged from the disappointing pace registered in 2015.

EMDEs (Emerging Market and Developing Economies) are facing stronger headwinds, while advanced economies are being plagued by weaker growth and persistently low commodity prices, as well as lacklustre global trade and capital flows.

The growth recovery in India reflects improved economic management, the IMF said in its annual assessment of the economy. The Central Government has taken a number of policy measures to help reduce fuel and fertiliser subsidies, continue with fiscal consolidation, bolster the financial system and strengthen the business climate. All these factors have contributed to instill confidence into the economy. There has been a significant improvement in consumer confidence with respect to future expectations. While India has made steady progress in recent years, raising India's growth rate and ensuring the creation of sufficient jobs will require deeper structural reforms.

India's economy gained momentum in FY 2015 and has consolidated the gains achieved in restoring macroeconomic stability. India's annual GDP stood at 7.60 per cent in 2015-16 compared to 7.40 per cent in 2014-15 and 6.90 per cent in 2013-14. As per the estimates of the Ministry of Finance, India's GDP growth expected to accelerate to about 8 per cent in 2016-17.

India has become a promising investment destination for foreign companies looking to do business here. Invest India has been named the official investment promotion and facilitation agency by the Government of India. It is envisaged to be the first point of reference for potential investors. This initiative is expected to increase the purchasing power of the common man, which would further boost demand, accelerate development and ease inflow of foreign investments.

### 2. REAL ESTATE INDUSTRY IN INDIA

The Indian real estate sector is one of the most globally recognised sectors. In India, it is the second largest employer next to agriculture and is poised to grow at a rate of 30 per cent over the next decade. It comprises four important sectors – housing, retail, hospitality and commercial. Faster urbanisation and increase in disposable incomes are some of the major factors that influence demand in this sector. The growth of this sector is complemented by the growth in the demand for office space as well as urban and suburban accommodations.

It is also expected that this sector will attract more NRI (Non-Resident Indian) investments in the coming years. Bengaluru is expected to be the most favoured property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun. The housing sector alone contributes 5-6 per cent to the country's GDP. Retail, hospitality and commercial real estate verticals are also growing significantly, providing the much-needed infrastructure to fulfill India's growing needs. The Indian real estate sector has recorded significant growth in recent periods with increased demand for office and residential spaces being observed across the country. Real estate emerged as the most active vertical in terms of private equity investments during the current fiscal.

The Government of India along with the respective State Governments have taken several initiatives to encourage development in this sector. In August 2015, the Union Cabinet approved the Smart City project, sanctioning the development of 100 smart cities across India. The Central Government has also raised FDI limits

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for development projects in townships and settlements to 100 per cent. Real estate is currently the fourth-largest sector in the country in terms of FDI (Foreign Direct Investment) inflows. Real estate projects within SEZs (Special Economic Zones) are also permitted 100 per cent FDI. As a part of the Union Budget 2015-16, the Central Government allocated US\$ 3.72 billion for housing and urban development. The Central Government has also released draft guidelines for investments by REITs (Real Estate Investment Trusts) in the non-residential segment.

#### **Bengaluru: the most preferred destination**

Bengaluru is the IT hub of India and home to the fourth largest technology cluster in the world. With the IT boom transpiring during the turn of the millennium in Bengaluru, the city experienced an exponential growth in its real estate sector as well. As per global consultancy firm Knight Frank's Prime Asia Development Land Index, land for residential development, Bengaluru has seen a whopping 26.10 per cent increase over the last two years (second only to Mumbai with a 35.20 per cent increase).

Products in the affordable and mid-segment category within Bengaluru have been performing well. 2-BHK (800-950 square feet) and 3-BHK apartments (1,200-1,300 square feet) are being offered in order to suit the client's budgetary preferences.

Bengaluru is also the third-largest real estate investment hub for HNIs (High Net worth Individuals) and tops the list in terms of investment from NRIs looking forward to settling down in India in the future. Furthermore, Bengaluru has become a favourable destination for GICs (Global In-house Centres) or captive centres for major global brands.

Other factors that will influence capital appreciation and rental potential in Bengaluru over the medium-term include growth of the IT industry, a greater influx of HNIs and NRIs, proposed infrastructural investments (peripheral ring road, metro rail, high speed rail link, mono rail and elevated expressway) and proposed SEZ and IT parks in North Bengaluru (ITIR, Aerospace, Devanahalli Business Park, Airport City).

### **3. BRIEF ORGANISATIONAL BACKGROUND**

The Puravankara Group, headquartered in Bengaluru, was established in 1975 and has gained over 42 years of experience in property development, real estate and construction sectors in India and one among the largest in South India that serves the needs of discerning clientele in housing, commercial and retail spaces.

The Group began operations in Mumbai and has established a considerable presence in the real estate industry in metropolitan cities of Bengaluru, Kochi, Chennai, Coimbatore, Hyderabad, Mysuru,

Mangaluru, Kolkata and overseas in Colombo and Dubai with a focus on developing residential (comprising of luxury and premium affordable housing projects) and commercial projects. Our operations span all aspects of real estate development, from the identification and acquisition of land, to the design, planning and execution and marketing of our projects. We believe we have established a strong brand image and a successful track record in the South Indian real estate industry due to our commitment to developing high quality projects. The residential properties that we develop consist of apartment complexes, villas, townhouses, as well as premium affordable housing projects, which we develop through our wholly-owned subsidiary Provident Housing Limited ("Provident"). Our commercial projects include retail and office premises.

A majority of our completed projects, ongoing projects and upcoming projects are situated in Bengaluru, Kochi, Chennai, Coimbatore, Hyderabad, Mysuru, Mangaluru and Kolkata. In addition, we have acquired a land bank in Colombo, Sri Lanka for a proposed residential project comprising apartment complexes and independent villas and townhouses. We also have a sales and marketing office in the United Arab Emirates and Saudi Arabia.

Our promoter commenced operations in the real estate industry in Mumbai in 1975 and 42 years in the property development, real estate and construction sectors in India.

Our luxury and premium real estate projects are branded under the 'Purva' brand and our premium affordable housing projects are branded under the 'Provident' brand. We believe that our brand gives us a competitive advantage that allows us to achieve premium sales prices and rentals. Our brand also helps us to secure land in prime locations and attract well regarded professionals and partners to collaborate with us on our projects. In addition, after the completion of a project, we continue to focus on brand management through our after-sales team to ensure brand recall among our customers and foster 'word of mouth' recommendation.

Our premium affordable housing segment 'Provident' seeks to create mid-income and mass housing projects comprising affordable apartments in response to the increasing demand for mid-income housing in India. Our projects in this segment are aimed at first-time home buyers. Provident develops projects that have small to medium unit sizes of 850 square feet to 1,360 square feet with amenities such as swimming pools, club houses and multipurpose halls. These projects are situated in the centre of the city as well as in areas that are located relatively farther from the centre of the city but equipped with

adequate infrastructure and public transportation connectivity. We are able to provide these projects to our customers within a specified price range, which is more affordable than the housing we provide under the Puravankara brand, by reducing the size of our residential units and by applying innovative construction techniques and efficient designs that result in cost savings.

With a large and experienced team of engineers and technicians, the Group has a technologically advanced in-house project management and construction team. This coupled with some of India's leading architects provides the organisation with an experience, capability and expertise that is unmatched in the Indian real estate industry. Development activities range from the construction of modern designer apartments, through ultra-modern and multi-functional integrated bungalow complexes, to plush yet functional commercial complexes. Puravankara has also shown the capacity to build large townships equipped with all modern amenities and lifestyle facilities.

#### 4. AWARDS AND RECOGNITIONS

Puravankara has been honoured with several awards over the years in recognition of being one of the most trusted builders and developers in South India and delivering quality apartments to its customers. Few awards received bestowed upon us for our contribution to the real estate and construction industry are listed below.

- Mr. Ravi Puravankara – Founder and Chairman, for being one of 'Asia's top-50 Visionaries' for his contribution to real estate development in Asia.
- Mr. Ravi Puravankara – Brand Achievers Award 2015 – Lifetime achievement Award for Excellence
- Global Real Estate Brand Awards 2015 for Marketer of the Year – Puravankara Projects Limited
- Mr. Ashish Ravi Puravankara – Brand Achievers Award 2015 – Entrepreneur of the year (Real Estate)
- Mysore Horticultural society – Best maintained Medians and Parks 2015 – Puravankara Projects Ltd
- Asian CSR Leadership Award 2015 – Best Financial & Corporate Reporting – Puravankara Projects Limited
- Estrade Real Estate Awards 2015- Best Project in a Non- Metro – Purva Grandbay
- 7<sup>th</sup> Realty Plus Excellence Awards 2015 for Developer of the Year- Residential – Puravankara Project Limited
- 8<sup>th</sup> Franchise India ET Now Estate Awards 2015 Affordable Housing Project of the Year – Provident Sunworth
- 8<sup>th</sup> Franchise India ET Now Estate Awards 2015 for Theme Project of the Year – Purva Westend
- Parryware NDTV Property Awards 2015 for Budget Apartment of the Year – Tier 1 – Provident Sunworth
- ACCE(I)- Sarvamangala Award 2016 for Excellence in Construction in the Field of Civil Engineering – Provident Sunworth

- 'Scroll of Honour' award at the 6<sup>th</sup> Realty Plus Conclave & Excellence Awards, 2014 (South) for Ravi Puravankara
- 'Emerging Developer of the Year 2014 – Residential' award for Provident Housing Limited for Sunworth at the 6<sup>th</sup> Realty Plus Excellence Awards, 2014
- Real estate website of the year for www.puravankara.com at the 6<sup>th</sup> Realty Plus Excellence Awards, 2014
- 'Popular Choice – Affordable Housing of the Year' award for Provident – Welworth City at the ET Now Awards for Retail Excellence, 2014
- Purva Venezia was awarded the 'Best Ornamental Garden-2014' by the Horticulture department, Government of Karnataka
- 'Most Admired upcoming project of the year 2013' award for Purva Windermere
- 'Environment Friendly project of the year (Residential)' award for Purva Highlands at the ET Now Awards for Retail Excellence, 2013
- 'Transformational Leadership' award at the NDTV Property Awards, 2013
- 'Residential Dwellings below 1,500 square feet' award for Provident Welworth City at the CREDAI Real Estate Awards, Karnataka, 2013
- 'Affordable Housing of the Year' award for Provident Welworth City at the Realty Plus Excellence Awards, 2013
- 'Environment Friendly Project of the Year (Residential)' award for Purva Highland at the ET Now Awards for Retail Excellence 2013
- 'Popular Choice – Affordable Housing of the Year' award for Provident Welworth City at the ET Now Awards for Retail Excellence
- Mr. Ashish Ravi Puravankara – In the 'Young Achievers of 2013' category at Real estate awards for Retail excellence
- 'Enterprising Chief Executive Officer' award at the ET Now Awards for Realty Excellence awards 2013 for Mr. Jackbastian K Nazareth – Group Chief Executive Officer

#### 5. MANAGEMENT'S DISCUSSION OF RISKS AND CONCERNS

Risk management is a structured approach to manage uncertainties related to a threat, through a process of risk identification and management. In any business enterprise, risk management includes the methods and processes used by organisations to manage risks related to the achievement of their objectives. Risk management typically involves the following process:

- Identifying particular events or circumstances relevant to the organisation's objectives
- Assessing them in terms of magnitude of impact
- Implementing all of the planned methods for mitigating the effect of the risks
- Assigning responsibilities and accountability clearly
- Reporting to the management

- Prioritising risks with regard to the probabilities of their occurrence and magnitudes of their impact
- Monitoring the progress of risk mitigation and control activities to ensure identified objectives have been completed or are in progress

By identifying and proactively addressing risks and opportunities, business enterprises protect and create value for their stakeholders,

including owners, employees, customers, regulators, and the society at large. Our Company has appropriate and adequate internal control systems for its business process at all the levels. The management has identified certain areas of risks to which the Company is susceptible. Listed below are the various events and their possible impacts along with the actions taken to mitigate and control such probabilities:

### Company Specific Risks

Sl. no.	Risk description	Business process	Impact factors	Mitigation measures <i>(Proposed mitigation measures mentioned in italics)</i>
1	Uncertainties/Irregularities pertaining to land titles acquired/developed by Company due to inadequate due diligence, forged documents, JD partners not having clear titles to land, among others	Land acquisition	<ul style="list-style-type: none"> <li>• Inability to transfer title</li> <li>• Exposure to legal disputes and related costs</li> <li>• Impact on land valuations</li> </ul>	<ul style="list-style-type: none"> <li>• Due diligence by independent and in-house counsel</li> <li>• Representations/Encumbrance certificates</li> <li>• Advertisements/Public notices in newspapers</li> <li>• Suitable monetary compensation to settle disputes</li> <li>• Experience of 42 years</li> </ul>
2	Delays in completion of projects due to shortage of skilled labour, material, contractors and delays by among others	Project execution	<ul style="list-style-type: none"> <li>• Higher construction costs</li> <li>• Impact on reputation/ Customer dissatisfaction</li> <li>• Payment of penalties to customers</li> </ul>	<ul style="list-style-type: none"> <li>• Increased usage of mechanised equipment</li> <li>• Supply of labour outsourced to sub-contractors</li> <li>• Dedicated planning department</li> <li>• Penalty clauses for delay in agreements with contractors</li> <li>• Usage of newer technologies</li> <li>• <i>Extension of working hours on weekdays and Sundays</i></li> <li>• <i>Interstate purchases</i></li> </ul>
3	Inability to attract and retain employees as a result of increased opportunities in the market, higher salaries offered by competition and employee dissatisfaction with company policies/ processes	Human resources	<ul style="list-style-type: none"> <li>• Loss of expertise and continuity</li> <li>• Higher recruitment and training costs</li> <li>• Delay in project execution</li> </ul>	<ul style="list-style-type: none"> <li>• Fast growing company - opportunities are better</li> <li>• Site visits by HR personnel</li> <li>• Defined appraisal system to provide career guidance and feedback</li> <li>• <i>Compensation benchmarking survey</i></li> <li>• <i>Exit interview</i></li> <li>• <i>Innovative loyalty building programmes</i></li> <li>• <i>Separate department for hearing grievances of employees and mitigating the same periodically</i></li> </ul>
4	Inadequate systems security due to absence of secure transmission lines, absence of an IT policy indicating safe system usage mechanisms, inadequate access controls to ERP, among others	Information technology	<ul style="list-style-type: none"> <li>• Loss/pilferage of confidential data</li> </ul>	<ul style="list-style-type: none"> <li>• Secure connectivity systems are being implemented to address data integrity through transmission between sites and all offices</li> <li>• Strengthening existing controls in ERP</li> <li>• Centralised mail server</li> <li>• Existence of formal IT policy</li> </ul>

Sl. no.	Risk description	Business process	Impact factors	Mitigation measures <i>(Proposed mitigation measures mentioned in italics)</i>
5	Non-compliance with requirements of labour laws and other relevant rules and regulations due to inadequate knowledge of requirements, absence of a mechanism to obtain assurance, unorganised nature of labour market, expansion into new geographies, among others	Compliance	<ul style="list-style-type: none"> <li>Fines/Penalties/ Imprisonment for non-compliance</li> </ul>	<ul style="list-style-type: none"> <li>In-house expert on relevant regulations</li> <li>Use of external consultants</li> <li>Periodic monitoring of checklists that list requirements of VAT, Service Tax, Company's Act and Income Tax</li> <li>System controls for tax compliance</li> <li>Internal audit function</li> <li><i>Dedicated person to track compliance with labour laws</i></li> <li><i>Distribution of detailed checklists to all relevant departments</i></li> <li><i>Proof of compliance prior to making contractor payments</i></li> <li><i>Periodical internal training</i></li> </ul>
6	Customer dissatisfaction with the Sales processes due to over commitments/ incorrect information provided by sales personnel, customisation requirements not being adequately addressed, delays in processing agreements, among others	Sales and marketing	<ul style="list-style-type: none"> <li>Customer dissatisfaction</li> <li>Loss of potential customers</li> <li>Growth</li> <li>Margins</li> </ul>	<ul style="list-style-type: none"> <li>Mock flats with specifications</li> <li>Adequate redressal system for property complaints</li> <li>Updates on progress of the project through website/ mails</li> <li>Minimal customisation</li> <li>Projects are launched only after receipt of requisite sanctions</li> <li><i>Process of generating/executing agreements being streamlined</i></li> <li><i>Periodic review of complaints received and action taken</i></li> </ul>
7	Customer dissatisfaction with after sales processes due to lack of a well-defined customer redressal system, disputes over cancellation charges, inadequate property management, post-sale	Sales and marketing	<ul style="list-style-type: none"> <li>Customer dissatisfaction</li> <li>Loss of potential customers</li> <li>Growth</li> <li>Margins</li> </ul>	<ul style="list-style-type: none"> <li>Dedicated customer care department. Target of 24 hours for acknowledging customer queries/ complaints</li> <li>Cancellation charges clearly mentioned in the application forms and sale agreements</li> <li>PPL handles property management</li> </ul>
8	Inability to obtain financing/ financing on favourable terms, due to downgrading of debt rating, liquidity crunch, among others	Finance	<ul style="list-style-type: none"> <li>Higher financing costs</li> <li>Mismatch in cash flow</li> <li>Period review of the loans portfolio with plan for restructuring</li> </ul>	<ul style="list-style-type: none"> <li>Maintain optimum net debt-equity ratio</li> <li>Asset quality is standard</li> <li>Sell initially well to cover costs</li> <li>Ensure project level cost flows are positive</li> </ul>
9	Sub-standard construction quality due to dependence on third parties, absence of adequate number of quality structural consultants, sub-standard quality of raw material, among others	Project execution	<ul style="list-style-type: none"> <li>Delay in project completion</li> <li>Impact on reputation</li> <li>Abortive costs</li> </ul>	<ul style="list-style-type: none"> <li>In-house construction and quality team</li> <li>Use of snagging checklists</li> <li>Structure certified by governmental authorised consultants</li> <li>Defects liability insurance taken</li> <li>Expert opinion from local consultants</li> </ul>

Sl. no.	Risk description	Business process	Impact factors	Mitigation measures <i>(Proposed mitigation measures mentioned in italics)</i>
10	New territory risks arising from uncertainty in the natural parameters, inadequate knowledge of local regulations, dilution of control, among others	Project execution	<ul style="list-style-type: none"> <li>• Delay in project completion</li> <li>• Impact on reputation</li> <li>• Abortive costs</li> <li>• Stay order by the court due to PIL's</li> <li>• Project costs incorrectly estimated</li> </ul>	<ul style="list-style-type: none"> <li>• Expert opinion from local consultants sought</li> <li>• <i>Location audits on process implementation effectiveness</i></li> </ul>
11	Reduced margins due to significant escalation in material, labour costs post project commencement/ ineffective planning, among others	Project execution and sales and marketing	<ul style="list-style-type: none"> <li>• Reduced margins</li> </ul>	<ul style="list-style-type: none"> <li>• Selling strategy - only a certain percentage of apartments are sold upfront</li> <li>• 5% contingency margin in initial estimates</li> <li>• Implementation of newer technology to reduce construction time</li> <li>• Dedicated Planning department</li> </ul>
12	Inability to anticipate and respond to consumer requirements due to inadequate market research and analysis	Business development and sales and marketing	<ul style="list-style-type: none"> <li>• Lower demand for properties</li> </ul>	<ul style="list-style-type: none"> <li>• Direct sales</li> <li>• KYC initiatives</li> <li>• Analysis of buying patterns/size of loan disbursements</li> </ul>
13	Loss due to theft, accidents at site, defects, among others	Project execution	<ul style="list-style-type: none"> <li>• Financial loss</li> <li>• Impact on reputation</li> </ul>	<ul style="list-style-type: none"> <li>• Adequate insurance policies</li> <li>• Security guards</li> <li>• <i>Separate stores management team</i></li> <li>• <i>Rotation of stores personnel</i></li> <li>• <i>Asset management system</i></li> </ul>
14	Use of unlicensed software due to absence of a software usage policy, periodic monitoring mechanism, among others	Information technology	<ul style="list-style-type: none"> <li>• Penalties for use of unlicensed software</li> </ul>	<ul style="list-style-type: none"> <li>• Microsoft software asset management review</li> <li>• <i>IT policy indicating software usage to be rolled out</i></li> <li>• <i>Periodic monitoring mechanism</i></li> <li>• <i>Group Policy Controls to prevent implementation of unauthorized software</i></li> </ul>
15	High network downtime resulting in unavailability of data	Information technology	<ul style="list-style-type: none"> <li>• Unavailability of data</li> <li>• Delays in payments that could result in delay in Project timelines</li> <li>• Delay in providing information to customers/potential customers</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Rollout of backup lines</i></li> </ul>
16	Inability to adopt/adapt to new technologies	Project execution	<ul style="list-style-type: none"> <li>• Impact on quality of construction</li> <li>• Delay in project completion</li> <li>• Impact on margins</li> </ul>	<ul style="list-style-type: none"> <li>• Key Management personnel understands and is abreast with the latest technology</li> <li>• MIVAN technology sufficient for next few years</li> </ul>



Sl. no.	Risk description	Business process	Impact factors	Mitigation measures <i>(Proposed mitigation measures mentioned in italics)</i>
17	Risk of capturing and/or reporting incorrect / inaccurate financial information	Financial reporting	<ul style="list-style-type: none"> <li>• Incorrect financial reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Centralisation of accounting system, procurement, payments</li> <li>• Audit of controls</li> <li>• Period consultation with audit firms</li> </ul>
18	Death of labourers/ construction personnel on site/accidents on site due to non-adherence to safety procedures, non-enforcement of safety procedures	Project execution	<ul style="list-style-type: none"> <li>• Delays in the project</li> <li>• Compensation/litigation costs</li> <li>• Impact on reputation</li> </ul>	<ul style="list-style-type: none"> <li>• Safety officers</li> <li>• Safety programmes</li> <li>• Workmen's insurance policy</li> <li>• Workers employed through contractors are insured by the contractors</li> <li>• <i>Location audits</i></li> <li>• <i>Company proposes to apply for a safety award</i></li> </ul>
19	Presence of fly-by-night operators resulting in decreased demand for Purva properties	Business development	<ul style="list-style-type: none"> <li>• Loss of potential customers</li> <li>• Educate customers and assess impact</li> </ul>	<ul style="list-style-type: none"> <li>• High quality of construction</li> <li>• Established brand name</li> <li>• Experience of 42 years</li> </ul>
20	Issues with Joint Venture partner	Business development	<ul style="list-style-type: none"> <li>• Impact on types of projects that the Company undertakes</li> <li>• Growth</li> </ul>	<ul style="list-style-type: none"> <li>• Clearly defined commercial terms for successful relationship</li> </ul>
21	Significant dependence on few members of management/loss of key management personnel	Human resources	<ul style="list-style-type: none"> <li>• Loss of experience/expertise</li> <li>• Loss of key relationships</li> </ul>	<ul style="list-style-type: none"> <li>• Adequate systems and structure for smooth transition</li> <li>• <i>Introduction of succession plan for key managerial personnel</i></li> </ul>
22	Inability to use acquired land for intended purpose due to non-compliance with permitted land uses, inability to transfer titles to land	Business development	<ul style="list-style-type: none"> <li>• Exposure to legal disputes and related costs</li> <li>• Delayed project commencement/project abandonment</li> <li>• Surrender of excess land held over ceiling</li> </ul>	<ul style="list-style-type: none"> <li>• Comprehensive development plan</li> <li>• Land in green zones/land not zoned is not purchased</li> <li>• Agreements to sell/MoUs in Company's favour</li> <li>• Due diligence process</li> <li>• Involvement of senior management</li> </ul>

## Industry Risks

Sl. no.	Risk description	Business process	Impact factors	Mitigation measures <i>(Proposed mitigation measures mentioned in italics)</i>
1	Slump in the real estate market/significant decline in property prices	Business development	<ul style="list-style-type: none"> <li>Reduction in property prices</li> <li>Impact on demand for properties</li> </ul>	<ul style="list-style-type: none"> <li>Vast majority of Purva brands sold at ₹6,000 per square feet</li> <li>Certain flexibility in pricing has also enabled the Company to mitigate this factor.</li> <li>Low land acquisition costs</li> <li>Ability to adapt to changing circumstances</li> <li>Low outstanding on land payments</li> </ul>
2	Declining affordability as a result of increase in loan interest rates, withdrawal of tax benefits and decrease in availability of home loans	Business development	<ul style="list-style-type: none"> <li>Decreased demand for properties</li> </ul>	<ul style="list-style-type: none"> <li>Vast majority of Purva flats priced at ₹6,000 per square feet</li> <li>Flexible pricing policy</li> <li>Low cost affordable housing – Provident</li> </ul>
3	Compulsory land acquisition by government due to development of infrastructure projects	Land acquisition	<ul style="list-style-type: none"> <li>Delay in project completion</li> <li>Exposure to legal disputes and related costs</li> <li>Exposure to additional costs if changes are required to be made to the master plan</li> </ul>	<ul style="list-style-type: none"> <li>Review of city infrastructure plan/possibility of future expansion of roads considered</li> <li>NOC's from government prior to purchase</li> <li>Project commenced only after receipt of sanctions from relevant authorities</li> </ul>
4	Loss due to natural calamities	Project execution	<ul style="list-style-type: none"> <li>Financial loss</li> <li>Inability to complete projects on schedule</li> </ul>	<ul style="list-style-type: none"> <li>Appropriate insurance policies</li> <li><i>Disaster recovery plan/Business continuity plan to be rolled out</i></li> </ul>
5	Inability to grow existing land bank as desired due to inability/delay in procuring contiguous land for large projects, inability to build land bank at strategic locations at low costs, among others	Business development	<ul style="list-style-type: none"> <li>Inability to grow business</li> </ul>	<ul style="list-style-type: none"> <li>Focus on new acquisitions in other potential locations of Bengaluru</li> <li>Existing land bank will last for next five years</li> </ul>

### Notes:

- All risks described above are inherent to the Company and the market in which it operates.
- Company specific risks are those risks for which the mitigation measures lie largely within the power and control of the management. Industry risks are those which the management has very limited control over. Risks are presented in the order of priority.

## 6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has well-defined and adequate internal control systems to ensure that all the assets are safeguarded as well as are more productive. These internal controls are supplemented by periodic audits with management reports and these are reviewed and monitored by our audit committee.

We have a qualified and independent audit committee consisting of our board of directors as members. The audit committee will review the adequacy and efficiency of internal control and suggests for any improvements or corrections. These internal controls ensure efficiency in operations, compliance with internal policies of the Company, applicable laws and regulations, protection of resources and accurate reporting of financial transactions.

## 7. OUR PEOPLE

We continue to believe that our employees are key contributors to our success. The Group's endeavour to impart the best training, working environment for retaining the best talents in the industry remains unabated. Our workforce consists of (i) our permanent employees, (ii) consultants who are engaged by us on a contractual basis to assist in the architectural and structural design of our projects and (iii) contractors who are engaged by us on a contractual basis and who employ labourers to work at our project sites. The table below sets out the number of employees as of March 31, 2016 and March 31, 2015 respectively.

Employee category	Fiscal 2016	Fiscal 2015
Non-technical	583	651
Technical	422	558
Trainees	4	32
<b>Total</b>	<b>1009</b>	<b>1241</b>

## 8. OPPORTUNITIES AND THREATS

The Group had been always optimistic on the future of the industry due to the exiting market demand and strong fundamentals of the economy. The global economy is also showing signs of a revival which is indicated by the growing Indian market, especially the IT, the retail and the manufacturing industries.

The middle-class economy and the urban population continue to grow. The population is comparatively young and thriving, especially in the range of 25 to 45 years. The aspirations among these people to own their own a dwelling at a much earlier stage has led to them lending a higher priority on acquiring such assets has given rise to the constant demand for such dwelling units. This will add to the housing demand of the nation due to age-demographic effect. However, there is a marked shift from the demand for high-cost lifestyle apartments to medium-cost affordable housing. The Group had recognised this trend quite early and had been one of the earlier companies to move in the direction of providing affordable housing projects to cater to the demand.

The improved sentiments and performance of various segments of the economy has also resulted in the improvements in the demand for

premium and lifestyle apartment's where the Company has already established its brand in the market in this segment.

## 9. DISCUSSION ON FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

### Income

Our total income comprises of revenue from operations and other income.

### Revenues from operations

Our revenues from operations comprise revenues from projects and other operating revenues. Revenues from projects represented 99.16 per cent and 99.18 per cent of our revenues from operations in fiscals 2016 and 2015, respectively. Our other operating revenues represented 0.84 per cent and 0.82 per cent of our revenues from operations in fiscals 2016 and 2015, respectively.

### Revenues from projects

Revenues from projects comprise sale of our residential properties and interior works. Sale of properties represented 99.46 per cent and 99.72 per cent of our revenues from projects in fiscals 2016 and 2015, respectively.

We also derive income from the sale of interior works, which includes designing, procuring, fabricating and installing the furniture, fixtures and other fittings in our property developments. Income from interior works represented 0.54 per cent and 0.28 per cent respectively, of our revenue from projects in fiscals 2016 and 2015, respectively.

### Other operating revenues

Our other operating revenue comprise of rental income, scrap sales and others. We lease our commercial properties and derive rental income. Rental income represented 26.08 per cent and 17.72 per cent. Scrap sales represented 9.80 per cent and 8.35 per cent, others represented 64.12 per cent and 73.93 per cent, of our other operating revenues in fiscals 2016 and 2015, respectively.

### Other incomes

Other incomes represent primarily professional charges in relation to sale of properties, which we collect from our customers and other miscellaneous incomes.

### Expenses

#### Our significant expenses include:

- project expenses, which comprise of material and contract costs, land costs and decrease/(increase) in inventory of properties under development and properties held for sale;
- employee benefit expense;
- net finance expenses;
- depreciation and amortisation; and
- other expenses.

### Project expenses

Project expenses comprises material and contract costs, land costs and decrease/(increase) in inventory of properties under development and properties held for sale. Project expenses reflect the costs associated with our projects, corresponding to the percentage of completion of construction of our projects.

### Material and contract cost

Our material and contract cost primarily comprises costs related to materials used in our construction, wages, civil work done by our contractors, fees paid to architects, plan sanction and project related levies paid to local authorities. These expenses also include expenses incurred in relation to the equipment and machinery used in the construction and design for our projects, interior works and other services that we provide which are not specifically allocated to a project. Our material and contract costs represented 67.90 per cent and 58.31 per cent of our total expenses in fiscals 2016 and 2015, respectively, which also included the cost allocated to the inventory in respect of unsold units in our projects.

### Land cost

Land cost consist of the cost of acquisition of land, expenses incurred in the upkeep of land and value addition to land and the cost of acquisition of development rights. Our land costs represent the cost of land pertaining to sale of undivided share of land in qualifying projects and cost of land that are allotted for properties under development. Our land costs represented 23.97 per cent, and 11.07 per cent, respectively, of our total expenses in fiscals 2016 and 2015, respectively, which also included the cost allocated to the inventory in respect of unsold units in our projects.

### Decrease/(increase) in inventory of properties under development and properties held for sale

Inventory of properties consists of the sum of properties under development and properties held for sale. Decrease/(increase) in inventory of properties under development and properties held for sale represents the difference between the beginning and the ending balance of properties under development and properties held for sale during that year. For further details, please refer to Notes 2 and 22 of the 'Financial Statements'.

### Employee benefit expense

Employee benefit expense comprise salaries, wages, allowances and bonuses paid to employees, contribution to employees' provident fund and other staff welfare expenses not recognized under either material and contract costs or under selling costs. Our employee benefit expense represented 7.55 per cent and 7.68 per cent respectively, of our total expenses in fiscals 2016 and 2015, respectively.

### Net finance expense

Our net finance expense include our finance expense net of our interest income earned on bank deposits, interest from loans to our subsidiaries and associates, interest received from our customers; net interest charges payable by us on short-term and long-term loans and debentures. These loans include working capital loans, overdrafts, loans on purchase of certain equipments and vehicles and charges such as processing fees for loans bank guarantees, including the cost allocated to the inventory in respect of unsold units in our projects.

Our net finance expense, including the cost allocated to inventory, represented 16.70 per cent and 14.68 per cent of our total expenses in fiscals 2016 and 2015, respectively.

### Depreciation and amortisation costs

Depreciation and amortisation costs comprise depreciation on building, plant and machinery, certain other items used in construction, office equipments, computers, furniture and fixtures, vehicles, shuttering materials and leasehold improvements. Our depreciation and amortization cost represented 1.10 per cent and 0.98 per cent respectively, of our total expenses in fiscals 2016 and 2015, respectively.

### Other expenses

Our other expenses primarily comprise expenses incurred in business promotion and the costs of advertisement and publicity of our projects. This consists of costs in relation to advertising and sales promotion, commission, brokerage and referral, travel and communication expenses incurred in relation to the sales and marketing of our projects.

In addition, we also recognize rates and taxes, our expenditure under legal and professional, travelling and conveyance, security, remuneration to auditors, repairs and maintenance of our office premises and losses from our foreign exchange fluctuations as other expenses.

Our other expenses represented 15.72 per cent and 14.85 per cent respectively, of our total expenses in fiscals 2016 and 2015, respectively.

### Share of Profit/ (loss) in associates, net

This consists of our share of profit/ (loss) in associates, namely Keppel Puravankara Development Private Limited.

### Profit before tax

Our profit before tax represents the difference between total income and total expenditure after adjusting for share of profit/(loss) in associate.

### Tax expenses

Income taxes are accounted for in accordance with AS-22 issued by the ICAI on 'Accounting for Taxes on Income'. Taxes comprise current tax and deferred tax.

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

During the fiscal 2015, the Company received favourable orders for fiscal 2010 and 2011 from CIT (Appeals) allowing the claim under Section 80-IB in relation to certain eligible projects. In addition, a portion of the claim under Section 80-IB for a project was disallowed based on the aforesaid ITAT order. Consequently, the Company had recorded a net credit amounting ₹27.02 crore in the financial statements in respect of the eligible claim under Section 80-IB.

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

## 10. FACTORS AFFECTING RESULTS OF OPERATIONS

Our results of operations depend on various factors, including the following:

- Condition and performance of the real estate market
- Supply of land
- Cost of land
- Construction costs
- Availability of financing for customers
- Taxation
- Other factors

Each of these factors is discussed below:

**Condition and performance of the real estate market in India:** Developments in the real estate sector are driven by:

- Demand for more housing units in cities and towns due to movement of population from rural to urban areas, expanding middle class, increased disposable income, availability of housing finance and tax incentives.
- Demand for office premises due to growing Indian market including the IT industry, the retail industry and the manufacturing industry, with foreign companies setting up office in India.

Factors affecting the real estate market in India still have a direct relation to the performance of the Company. The real estate sector in India specially the southern part of India is maintaining its absorption levels. The growth is coming about as a result of favourable demographics, increasing purchasing power, existence of customer-friendly banks and housing finance companies, professionalism in real estate and favourable reforms initiated by the government to attract global investors.

**Supply of land:** Our operations are dependent on the availability of land for our projects. Our growth is linked to the availability of land in areas where we can develop projects and can be marketed mainly to mid and high-income groups. Increased competition for land or excess supply of land may adversely affect our operations.

**Cost of land:** The cost of acquisition of land includes the amounts paid for freehold rights and cost of registration and stamp. We acquire land from governmental authorities and private parties. We are typically required to enter into a deed of conveyance or a lease deed transferring title in our favour. The registration charges and stamp duty among other things are also payable by us.

**Construction costs:** The cost of construction includes cost of material used in our construction – these primarily comprise procurement costs for steel, cement, wood, flooring materials and other accessories.

**Availability of financing for customers:** One of the major drivers behind the growth of demand for housing units is interest rates on housing loans. The hike in housing loan interest rates may increase the cost of property but will not affect buying capacity, as house buyers are more concerned over property prices rather than rising interest rates.

**Taxation:** The other primary factor affecting our financial conditions is the tax payable by us. The provision for taxation is made on Taxes

Payable Method and determined in accordance with the provisions of Income Tax Act, 1961. Taxes are measured using the tax rates and laws that have been enacted or substantively enacted as of the date of financial statements in which they are recorded.

**Other factors:** Other factors affecting our results of operations include – regulations affecting the real estate industry, our ability to acquire suitable lands at reasonable costs, our ability to identify suitable projects and execute them in a timely and cost-effective manner and competition.

## 11. CRITICAL ACCOUNTING POLICIES

Preparation of financial statements in accordance with Indian GAAP, the applicable accounting standards issued by the ICAI and the relevant provisions of the Companies Act require our management to make judgments, estimates and assumptions regarding uncertainties that affect the reported amounts of our assets and liabilities, disclosures of contingent liabilities and the reported amounts of income and expenses. These judgements, assumptions and estimates are reflected in our accounting policies, which are more fully described in the 'Financial Statements'.

Certain of our accounting policies are particularly important to the portrayal of our financial position and results of operations and require the application of significant assumptions and estimates of our management. We refer to these accounting policies as our 'critical accounting policies'. Our management uses historical experience and analyses, the terms of existing contracts, historical cost convention, industry trends, information provided by our agents and information available from other outside sources, as appropriate, when forming our assumptions and estimates. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods. However, this task may be imprecise because our management makes assumptions and provides estimates on matters that are inherently uncertain. For more information on our significant accounting policies, please see 'Financial Statements'.

While all aspects of our financial statements should be read and understood in assessing our current and expected financial condition and results, we believe that the following critical accounting policies warrant additional attention:

### (a) Revenue recognition of revenues from projects

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

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

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

Our revenue recognition policy was aligned in accordance with the 'Guidance Note on Accounting for Real Estate Transactions (Revised 2012)' (the 'Guidance Note'). From April 01, 2012, we have applied the principles enunciated in Accounting Standard 7 (Construction Contracts) and Accounting Standard 9 (Revenue Recognition) in accordance with the Guidance Note. The Guidance Note is applicable to all projects which were launched on or after April 01, 2012 and also to projects which have already launched but where revenue is being recognised for the first time on or after April 01, 2012.

Effective 01 April 2012, in accordance with the 'Guidance Note on Accounting for Real Estate Transactions (Revised 2012)' (the 'Guidance Note') all projects commencing on or after the said date or projects where revenue is recognised for the first time on or after the above date, construction revenue on such projects have been recognised on percentage of completion method provided the following thresholds have been met:

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

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

We have applied the percentage of completion method as revised by the Guidance Note on our projects which were launched after 01 April 2012 namely, Purva Whitehall, Purva Sunflower, Purva Skydale, Purva Westend, Purva Windermere-III, Purva Gainz, Purva Summit, Purva Palmbeach, Purva Sound of Water, Provident Sunworth, Provident Skyworth, Provident Green Park, The Tree and Kenworth.

For projects executed through joint development arrangements prior to April 01, 2012, which represent barter transactions, whereby we give up a defined percentage of constructed area in lieu of payment for our share in the land, we account for such transactions on net basis and do not ascribe any value to the share of land acquired on such basis. Effective April 01, 2012, in accordance with the Guidance Note, developmental rights acquired through joint development arrangement are recorded on a gross basis on the estimated value of the land in respect of

which, the development right is transferred in our favor.

Interior income is recognised on the basis of percentage of completion method.

**(b) Impairment of assets**

We assess at each Balance Sheet date whether there is any indication of an impaired asset. If any such indication exists, we estimate the recoverable amount of the asset. If such recoverable amount of the asset, or the recoverable amount of the cash generating unit to which the asset belongs, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed. The asset is then reflected at the recoverable amount subject to a maximum of depreciated historical cost.

**(c) Inventories**

Inventory comprises raw materials used for our construction activity. Raw materials are valued at the lower of cost or net realisable value, with the cost being determined on a 'first in first out' basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

**(d) Accounting for taxes on income**

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

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

Unrecognised deferred tax assets of earlier years are reassessed and recognised to the extent that availability of future taxable income, against which such deferred tax assets can be realised, has become reasonably certain.

**(e) Borrowing costs**

Borrowing costs that are attributable to the acquisition and/or construction of qualifying assets are capitalised as part of the cost of such assets, in accordance with Accounting Standard 16 'Borrowing Cost'. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

(f) **Basis of consolidation**

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

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

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

**12. RESULTS OF OPERATIONS**

The following table sets forth certain items derived from our audited consolidated summary financial statements for fiscals 2016 and 2015 expressed in absolute terms and as a percentage of total revenue for the periods indicated. Amounts have been rounded to ensure percentages total to 100 per cent in a manner deemed appropriate.

Particulars	Fiscal 2016		Fiscal 2015	
	(₹ crore)	(%)	(₹ crore)	(%)
<b>Income</b>				
Revenue from operations				
Revenue from projects	1,537.74	98.08%	1,658.57	98.42%
Other operating revenues	12.96	0.83%	13.77	0.82%
Other income	17.15	1.09%	12.90	0.76%
<b>Total</b>	<b>1,567.85</b>	<b>100.00%</b>	<b>1,685.24</b>	<b>100.00%</b>
<b>Expenses</b>				
Material and contract cost	991.44	63.24%	889.42	52.78%
Land cost	350.00	22.32%	168.92	10.02%
(Increase) in inventory of properties under development and properties held for sale	(480.88)	(30.67)%	(115.44)	(6.85)%
Employee benefits expense	110.30	7.04%	117.15	6.95%
Finance expense, net	243.81	15.55%	223.96	13.29%
Depreciation and amortisation	15.99	1.02%	14.93	0.89%
Other expenses	229.58	14.64%	226.48	13.44%
<b>Total</b>	<b>1,460.24</b>	<b>93.14%</b>	<b>1,525.42</b>	<b>90.52%</b>
<b>Profit before tax, prior period items, minority interest and share of profit/(loss) in associates, net</b>	<b>107.61</b>	<b>6.86%</b>	<b>159.82</b>	<b>9.48%</b>
Share of profit/(loss) in associates, net	(0.57)	(0.03)%	(4.87)	(0.29)%
<b>Profit before tax, prior period items and minority interest</b>	<b>107.04</b>	<b>6.83%</b>	<b>154.95</b>	<b>9.19%</b>
Tax expense	40.42	2.58%	23.14	1.37%
<b>Profit after tax and before prior period items and minority interest</b>	<b>66.62</b>	<b>4.25%</b>	<b>131.81</b>	<b>7.82%</b>
Prior period income (net)	0.19	0.01%	0.89	0.05%
<b>Profit after tax and before minority interest</b>	<b>66.81</b>	<b>4.26%</b>	<b>132.70</b>	<b>7.87%</b>
Minority interest	-	-	(0.03)	0.01%
<b>Net profit for the year</b>	<b>66.81</b>	<b>4.26%</b>	<b>132.73</b>	<b>7.88%</b>



## Comparison of fiscal 2016 and fiscal 2015 performances

### Income

Total income comprises revenues from operations and other income. Total decreased to ₹1,567.85 crore in fiscal 2016 by ₹117.39 crore, or (6.97) per cent from ₹1,685.24 crore in fiscal 2015.

### Revenues from operations

Revenues from operations comprise revenues from projects and other operating revenues. Revenues from operations decreased to ₹1,550.70 crore in fiscal 2016 by ₹121.64 crore, or (7.27) per cent, from ₹1,672.34 crore in fiscal 2015.

### Revenues from projects

Revenues from projects decreased to ₹1,537.74 crore in fiscal 2016 by ₹120.83 crore, or (7.29) per cent from ₹1,658.57 crore in fiscal 2015. This was primarily due to a fall in the revenues generated from the sale of apartments during fiscal 2016. In fiscal 2016, we recognised income from sale of apartments in 14 completed residential projects, 17 ongoing residential projects, one completed commercial project and sale of land.

Income from interior works increased to ₹8.34 crore in fiscal 2016 by ₹3.69 crore or 79.35 per cent from ₹4.65 crore in fiscal 2015.

### Other operating revenues

Other operating revenues decreased to ₹12.96 crore in fiscal 2016 by ₹0.81 crore or (5.88) per cent, from ₹13.77 crore in fiscal 2015.

### Other income

Other income increased to ₹17.15 crore in fiscal 2016 by ₹4.25 crore, or 32.95 per cent, from ₹12.90 crore in fiscal 2015.

### Expenses

Total expenses decreased to ₹1,460.24 crore in fiscal 2016 by ₹65.18 crore, or (4.27) per cent, from ₹1,525.42 crore in fiscal 2015. Of the above, approximately 6% on employee costs and 59% on Advertising, Sales promotion and Brokerage costs was reduced between fiscal 2016 and 2015. We continue to focus on cost reduction initiatives across our various operations in the coming years as well and will be commensurate with the level of operations.

### Project expenses

Project expenses decreased to ₹860.56 crore in fiscal 2016 by ₹82.34 crore or (8.73) per cent from ₹942.90 crore in fiscal 2015. This is also reflected in our revenue from operations on account of decrease in the revenues generated from projects. Project expenses, as a percentage to the total income decreased to 54.89 per cent in fiscal 2016 from 55.95 per cent in fiscal 2015. Project expenses comprise the following:

### Material and contract costs

Material and contract costs stood at ₹991.44 crore in fiscal 2016 and ₹889.42 crore in fiscal 2015. These costs include progress costs incurred, raw materials, labour and other related costs for the projects under

construction for all properties under development on a gross basis. This is primarily due to an increase in construction activities in our projects. During the fiscal, the Company delivered an area of 2.83 million square feet and an additional 3.09 million square feet for which occupancy/completion certificates were received in first quarter of fiscal 2017.

### Land cost

Land cost stood at ₹350.00 crore in fiscal 2016 and ₹168.92 crore in fiscal 2015. This represents the cost of land transferred from properties held for development coinciding with the launch of the new project. For projects launched under a Joint development scheme, the guidance value of land is recorded on a gross basis as part of this land cost.

### (Increase) in inventory of properties under development and properties held for sale

Increase in inventory of properties under development and properties held for sale was ₹480.88 crore in fiscal 2016 and ₹115.44 crore in fiscal 2015.

### Employee benefit expense

Employee benefit expenses decreased to ₹110.30 crore in fiscal 2016 by ₹6.85 crore, or (5.85) per cent, from ₹117.15 crore in fiscal 2015. This was primarily due to cost efficiency exercise undertaken by the group across various business operations.

### Net finance expense

Net finance expenses increased to ₹243.81 crore in Fiscal 2016 by ₹19.85 crore, or 8.86 per cent, from ₹223.96 crore in fiscal 2015. This was primarily due to increase in borrowings during fiscal 2016.

### Depreciation and amortisation

Depreciation and amortisation increased to ₹15.99 crore in fiscal 2016 by ₹1.06 crore, or 7.10 per cent, from ₹14.93 crore in fiscal 2015.

### Minority interest

Net loss for the year of the partnership firm attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to the shareholders of the Company.

### Other expenses

Other expenses increased to ₹229.58 crore in fiscal 2016 by ₹3.10 crore, or 1.37 per cent, from ₹226.48 crore in fiscal 2015. This was primarily due to effect of increase in the rates and taxes and decrease in advertisement and sales promotion, brokerage and referral charges.

### Tax expenses

Tax expenses increased to ₹40.42 crore in fiscal 2016 by ₹17.28 crore, or 74.68 per cent, from ₹23.14 crore in fiscal 2015. Our current tax decreased to ₹45.48 crore in fiscal 2016 by ₹8.83 crore, or (16.26) per cent, from ₹54.31 crore in fiscal 2015. Our deferred tax decreased to ₹(4.86) crore in fiscal 2016 by ₹0.71 crore, from ₹(4.15) crore in fiscal 2015.

During the fiscal 2015, the Company received favourable orders for fiscal 2010 and 2011 from CIT (Appeals) allowing the claim under Section 80-IB in relation to certain eligible projects. In addition, a portion of the claim under Section 80-IB for a project was disallowed based on the aforesaid ITAT order. Consequently, the Company had recorded a net credit amounting ₹27.02 crore in the financial statements in respect of the eligible claim under Section 80-IB.

#### Net profit for the period

Net profit declined to ₹66.81 crore in fiscal 2016 by ₹65.92 crore, or (49.66) per cent, from ₹132.73 crore in fiscal 2015.

#### Reserves and surplus

Reserves and surplus increased to ₹2,186.69 as at March 31, 2016 from ₹2,142.15 as at March 31, 2015, mainly due to a better performance at a consolidated level.

#### Dividend

The Board of Directors has recommended a final dividend of 0.78 paise per share for the year ended 31<sup>st</sup> March 2016 subject to approval of the share holders in the ensuing Annual General Meeting.

#### Liquidity and capital resources

As of March 31, 2016, the Company had cash and bank balances of ₹292.27 crore. Cash and bank balances primarily consist of cash on hand, fixed deposits with an initial maturity of less than twelve months and balances with banks. Our primary liquidity requirements have been to finance our purchases of land, working capital for development of our projects. We expect to meet our working capital and liquidity requirements for the next 12 months primarily from the cash flows from our business operations and, if required, project specific borrowings from banks and financial institutions as may be expedient.

Our growth plans will require us to incur substantial additional expenditure in the current and future fiscals across our existing and new business lines. We expect that our land acquisitions as well as the construction and development costs for our projects will be funded through cash flows and borrowings. Our expansion plans and planned expenditure are subject to change based on various factors such as interest rates, property prices and market conditions. Our ability to raise and service the required financing depends on these factors as well.

#### Credit rating

Credit rating agency ICRA has reaffirmed the long-term debt rating at BBB (stable) for credit facilities availed by the Company. The outlook on the long-term rating is positive. The reaffirmation in the rating reflects improvement in the Group's debt coverage indicators and comparative reduction in its average interest costs.

#### Cash flows

Shown below is a table containing selected information from our

consolidated statement of cash flow for fiscals 2016 and 2015:

	Fiscal 2016	Fiscal 2015
Particulars	(₹ crore)	(₹ crore)
Net cash from/(used in) operating activities	(76.47)	329.75
Net cash (used in) investing activities	(31.81)	(79.05)
Net cash generated from/(used in) financing activities	180.31	(204.44)
Net increase in cash and cash equivalents	72.02	46.26
Cash and cash equivalents at the beginning of the year	211.76	165.50
Cash and cash equivalents as at the end of the year	292.27	223.33

#### Net cash generated from/ (used in) operating activities

Our net flows generated from operating activities in fiscal 2016 primarily comprised operating profit before working capital adjustments for ₹354.03 crore, which was adjusted for an increase in the properties under development of ₹392.00 crore, a decrease in the properties held for sale of ₹91.16 crore, decrease in trade receivables of ₹101.80 crore, an increase in loans and advances and other current assets of ₹136.10 crore, a decrease in current liabilities and provisions of ₹66.53 crore as well as tax payments of ₹36.30 crore.

#### Net cash (used in) investing activities

Our cash flow used in investment activities for fiscal 2016 primarily comprised of purchase of fixed assets of ₹15.48 crore, properties held for development of ₹31.68 crore, deposits and advances of ₹50.44 crore which were offset in part by net cash generated from interest received of ₹5.57 crore, proceeds from sale of fixed assets of ₹6.15 crore, proceeds from redemption of preference shares of associate company of ₹ 17.64 crore and dividend income received from subsidiaries of ₹36.76 crore.

#### Net cash generated from/ (used in) financing activities

Our net cash generated from financing activities in fiscal 2016 was primarily comprised of proceeds from term loans of ₹1,362.48 crore, proceeds from debentures ₹115.88 crore and proceeds from increase in utilisation of working capital limits of ₹91.21 crore which were offset in part by net cash used in repayment of term loans of ₹1,053.91 crore, interest payment of ₹252.32 crore, dividend payments of ₹80.99 crore and repayment of unsecured loans of ₹2.04 crore.

## Assets

### Non-current assets

*Non-current assets:* The total non-current assets were ₹1,279.89 crore and ₹1,260.67 crore as at March 31, 2016 and 2015, respectively. Our non-current assets comprise of fixed assets, non-current investments, properties held for development, deferred tax assets (net), long-term loans and advances and other non-current assets.

*Fixed assets:* The book value of our total fixed assets (including capital work-in progress) was ₹117.90 crore and ₹123.87, as of March 31, 2016 and 2015, respectively. Our fixed assets primarily consist of freehold and leasehold land, buildings, plant and machinery, office equipments, computers, furniture and fixtures, vehicles, shuttering materials, leasehold improvements and intangible assets.

*Non-current investments:* Our investments represent equity investments in associate companies namely: Keppel Puravankara Development Private Limited and Sobha Puravankara Aviation Private Limited. Our total investment in associate companies were ₹51.28 crore and ₹69.49 crore as at March 31, 2016 and 2015, respectively. The decrease in investment in associates was due to share in losses of our associates during the current fiscal by following equity method of accounting as prescribed under Accounting standard 23 'Accounting for Investment in Associates in Consolidated Financial Statement' issued by ICAI and redemption of preference share of associate of ₹17.64 crore.

*Properties held for development:* Properties held for development stood at ₹688.07 crore and ₹757.18 crore as at March 31, 2016 and 2015, respectively. The decrease was due to transfer of properties under development during the current fiscal.

### Current assets

*Current assets:* The total current assets stood at ₹4,405.48 crore and ₹3,902.35 crore as at March 31, 2016 and 2015, respectively. Current assets comprise inventory, trade receivables, cash and bank balances, short-term loans and advances and other current assets.

*Inventories:* Inventories comprise raw materials used in our construction activities, properties under development and properties held for sale. Our inventories were ₹3,290.48 crore and ₹2,817.07 crore as at March 31, 2016 and 2015, respectively.

*Properties under development:* These comprise our ongoing projects. Our projects under development stood at ₹2,711.20 crore and ₹2,272.42 crore as at March 31, 2016 and 2015, respectively.

*Properties held for sale:* These comprise finished projects which are unsold on the date of the financial statements, which is valued at cost price or net realisable value (equal to selling price less cost of selling), whichever is lower. Our properties held for sale stood at ₹551.11 crore and ₹509.01 crore as at March 31, 2016 and 2015, respectively.

*Trade receivables:* The total amount of trade receivables stood at ₹336.32 crore and ₹438.12 crore as at March 31, 2016 and 2015, respectively. Our trade debtors comprise unsecured receivables with respect to sale of properties.

*Cash and bank balances:* Our cash and cash equivalents consist of cash on hand and cash held in current and deposit accounts with specified banks. The cash and cash equivalents stood at ₹292.27 crore and ₹223.33 crore as at March 31, 2016 and 2015, respectively.

Total borrowings increased by ₹514.15 crore to ₹2,307.20 crore. For further details please refer to Notes 2, 5, 8 and related disclosure of the 'Financial Statements'.

### Transactions with associates and related parties

We enter into transactions with companies, which are controlled by members of our promoter group and other related parties in the ordinary course of our business. As of March 31, 2016, our net balance involving transactions with related parties was ₹82.62 crore in loans, advances, deposits and liabilities to various joint ventures, promoter group companies and related individuals. For details regarding our related party transactions, please see 'Financial Statements—Related Party Transactions'.

### Significant Developments after March 31, 2016 that may affect our Future Results of Operations

In compliance with AS 4 and to the best of our knowledge, no circumstances other than as disclosed in this Annual Report have arisen since the date of the last financial statements contained in this report which materially and adversely affect or are likely to affect, the trading and profitability of the Company, or the value of our assets or our ability to pay material liabilities within the next 12 months.

## 13. CAUTIONARY STATEMENT

Statements and reports made in the above Management Discussion and Analysis may contain forward looking statements within the meaning of applicable security laws and regulations. These statements that address expectations or projections about the future objectives and business plans but not limited to the Company's strategy for growth, market position, expenditures and financial results, are forward-looking statements. Since these statements and reports are based on certain assumptions and expectations of future events which are subject to a number of factors and uncertainties and the actual results could materially vary from the views expressed herein. The Company cannot undertake that these are accurate or will be realised. All the possible care has been taken to ensure that the views and opinions expressed by the Company contain its perceptions on the material facts of the Company in the normal business operations and it is not exhaustive.

## I. Board Members

Mr. Ravi Puravankara  
Mr. Ashish Ravi Puravankara  
Mr. Nani R. Choksey  
Mr. RVS Rao  
Mr. Pradeep Guha  
Dr. Suchitra Kaul Misra

### AUDIT COMMITTEE

Mr. RVS Rao (Chairman)  
Mr. Ravi Puravankara (Member)  
Mr. Pradeep Guha (Member)  
Dr. Suchitra Kaul Misra (Member)

### STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. RVS Rao (Chairman)  
Mr. Nani R. Choksey (Member)  
Mr. Ashish Ravi Puravankara  
(Member)

### NOMINATION AND REMUNERATION COMMITTEE

Mr. Pradeep Guha (Chairman)  
Mr. Ravi Puravankara (Member)  
Mr. RVS Rao (Member)  
Dr. Suchitra Kaul Misra (Member)

### MANAGEMENT SUB COMMITTEE

Mr. Ravi Puravankara (Member)  
Mr. Nani R. Choksey (Member)  
Mr. Ashish Ravi Puravankara  
(Member)

### CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Mr. Ashish Ravi Puravankara  
(Member)  
Mr. Nani R Choksey (Member)  
Mr. RVS Rao (Member)

### RISK MANAGEMENT COMMITTEE (RMC)

Mr. Ashish Ravi Puravankara  
(Member)  
Mr. Nani R Choksey (Member)  
Mr. R.V.S Rao (Member)  
Mr. Pradeep Guha (Member)

## II. Corporate Details

### CHIEF FINANCIAL OFFICER

Mr. Hari Ramakrishnan

### COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Bindu D

### REGISTERED OFFICE:

Puravankara Projects Ltd.  
# 130/1, Ulsoor Road,  
Bengaluru – 560042.

### BANKERS

Andhra Bank Ltd.  
Barclays Bank PLC  
Citi Bank N.A  
Deutsche Bank AG.  
Dhanalaxmi Bank Ltd.  
HDFC Bank Ltd.  
ICICI Bank Ltd.  
IDBI Bank Ltd.  
Kotak Mahindra Bank Ltd.  
Standard Chartered Bank PLC.

### LEGAL COUNSEL:

M/S. Anup Shah S Law Firm  
# 37, 7<sup>th</sup> Cross, Vasanthnagar,  
Cunningham Road,  
Bengaluru – 560052.

### STATUTORY AUDITORS

Walker Chandiok & Co. LLP  
(formerly Walker, Chandiok & Co.)  
5<sup>th</sup> Floor, No.65/2  
Block "A", Bagmane Tribid,  
Bagmane Tech Park, CV Raman Nagar  
Bengaluru – 560 091

### INTERNAL AUDITORS

Ernst & Young LLP  
13<sup>th</sup> Floor Canberra Block  
UB City, Vittal Mallya Road  
Bengaluru: 560001

### COST AUDITORS

GNV & Associates  
No.8, 1 Floor, 4<sup>th</sup> Main,  
Chamarajapet  
Bangalore – 560 018



**CONSOLIDATED**  
**FINANCIAL STATEMENTS**



# Independent Auditor's Report on the Consolidated Financial Statements

To the Members of  
Puravankara Projects Limited

1. We have audited the accompanying Consolidated Financial Statements of Puravankara Projects Limited (the 'Company'), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates, which comprise the Consolidated Balance Sheet as at 31 March 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group and its associates, in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The Holding Company's Board of Directors, and the respective Board of Directors/management of the subsidiaries included in the Group, and of its associates are responsible for the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. Further, in terms with the provisions of the Act, the respective Board of Directors of the Holding Company and its subsidiaries and its associates, which are incorporated in India, are responsible for maintenance of adequate accounting records; safeguarding the assets; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statements, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

## Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the auditor's report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and

plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 9(a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## Opinion

8. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31 March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

## Other Matters

9. a. We did not audit the financial statements of 19 subsidiaries (including 1 Limited Liability Partnership), which are incorporated in India, included in the consolidated financial statements, whose financial statements reflect total assets (after eliminating intra-group transactions) of ₹553.67 crores as at 31 March 2016, the total revenue (after eliminating intra-group transactions) of ₹116.40 crores for the year ended on that date and net cash flows aggregating to ₹17.76 crores for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to

the aforesaid subsidiaries, which are companies incorporated in India, is based solely on the reports of the other auditors.

We also did not audit the financial statements of 4 foreign subsidiaries included in the consolidated financial statements whose financial statements reflect total assets (after eliminating intra-group transactions) of ₹8.53 crores as at 31 March 2016, the total revenue (after eliminating intra-group transactions) of ₹ Nil for the year ended on that date and net cash flows aggregating to ₹0.33 crores for the year ended on that date. These financial statements, are prepared in accordance with other reporting frameworks (as applicable), were audited by other auditors, whose report has been furnished to us. We have applied audit procedures on the conversion adjustments to the financial statements of the aforesaid foreign subsidiaries which confirm those financial statements to accounting principles generally accepted in India. Our opinion, insofar as it relates to the amounts included for the aforesaid foreign subsidiaries in the consolidated financial statements, prior to these conversion adjustments, is based solely on the report of the other auditors.

- b. We did not audit the financial information of 3 associates, which are companies incorporated in India, whose financial information reflect the Company's share of loss of ₹0.57 crores for the year ended on that date included in these Consolidated Financial Statements. These financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group and its associates.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors and the financial statements/financial information certified by the Management.

#### Report on Other Legal and Regulatory Requirements

10. As required by Section 143(3) of the Act, and based on the auditor's reports of the subsidiaries, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements;
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

- c. The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014(as amended);
- e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2016 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiaries, which are companies incorporated in India, none of the directors of the Holding Company and subsidiaries, which are incorporated in India, are disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. We have also audited the internal financial controls over financial reporting (IFCoFR) of the Company and its subsidiaries, which are companies incorporated in India, as of 31 March 2016, in conjunction with our audit of the consolidated financial statements of the Group and its associates for the year ended on that date and our report dated 27 May 2016 as per Annexure I expressed a qualified opinion.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and the other auditors:
  - (i) As detailed in Note 31, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates;
  - (ii) The Group and its associates 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 Holding Company, its subsidiaries and its associates, which are companies incorporated in India.

For **Walker Chandiook & Co LLP**  
*Chartered Accountants*  
Firm Registration No.: 001076N/N500013

per **Sanjay Banthia**  
*Partner*  
Membership No.: 061068

Mumbai  
27 May 2016



# Annexure I to the Independent Auditor's Report of even date to the members of Puravankara Projects Limited, on the consolidated financial statements for the year ended 31 March 2016

## Annexure I

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

1. In conjunction with our audit of the consolidated financial statements of Puravankara Projects Limited ("the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group"), and its associates as at and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company, its subsidiaries and its associates, which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiaries and its associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the control criteria in accordance with the Internal control framework defined in Annexure I to SA 315 "Identifying and Assessing the Risk of Material Misstatement Through Understanding the Entity and its Environment" ("the framework"). 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 the company's business, including adherence to the company's policies, the safeguarding of the company's assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company, its subsidiaries and its associates, which are companies incorporated in India as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note"), issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter(s) paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company, and its subsidiaries, as aforesaid.

### Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Basis of Qualified Opinion

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the adequacy and operating effectiveness of the Holding Company's IFCoFR as at 31 March 2016:

The Holding Company did not have adequate internal financial controls over financial reporting with respect to supervisory and review controls of periodic reconciliation, including timely resolution thereof, of advance received from customers and vendor balances, primarily retention claims payable, to the subsidiary ledgers, which could potentially result in material misstatement in the value of the Company's trade payables and other current liabilities, prior period items and resultant impact on the profit after tax and the reserves and surplus.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis

### Qualified Opinion

9. In our opinion, except for the effects of the material weakness described above in the Basis for Qualified Opinion paragraph, the Holding Company and its subsidiaries, which are incorporated in India, have, in all material respects, maintained adequate IFCoFR and such IFCoFR were operating effectively as at 31 March 2016 based on the control criteria established in accordance with the framework.
10. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31 March 2016 consolidated financial statements of the Group and its associates, and the material weakness do not affect our opinion on the consolidated financial statements of the Group and its associates and we have issued an unqualified opinion on the consolidated financial statements.

### Other Matters

11. We did not audit the IFCoFR insofar as it relates to 18 subsidiary companies, which are companies incorporated in India, whose financial statements reflect total assets (after eliminating intra-group transactions) of ₹487.48 crores as at 31 March 2016, total revenues (after eliminating intra-group transactions) of ₹116.40 crores and net cash flows amounting to ₹16.05 crores for the year ended on that date. Our report on the adequacy and operating effectiveness of the IFCoFR insofar as it relates to the aforesaid 18 subsidiaries, which are companies incorporated in India, is solely based on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.
12. We did not audit the IFCoFR insofar it relates to 3 associates, which are companies incorporated in India, whose financial information reflect the Company's share of loss of ₹0.57 crores for the year ended on that date included in these consolidated financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial information of the aforesaid associates, which are companies incorporated in India, are not material to the Group and its associates. Our report on the adequacy and operating effectiveness of the IFCoFR of the Group and its associates do not include the IFCoFR assessment in respect of aforesaid associates.

For **Walker Chandiok & Co LLP**

*Chartered Accountants*

Firm Registration No.: 001076N/N500013

per **Sanjay Banthia**

*Partner*

Membership No.: 061068

Mumbai

27 May 2016

## Consolidated Balance Sheet as at 31 March 2016

(All amounts in ₹ crore, unless otherwise stated)

	Note	31 Mar 2016	31 Mar 2015
<b>Equity and Liabilities</b>			
<b>Shareholders' Funds</b>			
Share capital	3	118.58	118.58
Reserves and surplus	4	2,186.69	2,142.15
		<b>2,305.27</b>	<b>2,260.73</b>
<b>Non-current Liabilities</b>			
Long-term borrowings	5	1,389.35	915.21
Other long-term liabilities	6	3.33	1.84
Long-term provisions	7	11.57	9.67
		<b>1,404.25</b>	<b>926.72</b>
<b>Current Liabilities</b>			
Short-term borrowings	8	672.89	581.75
Trade payables			
total outstanding dues of micro enterprises and small enterprises		7.34	9.50
total outstanding dues of creditors other than micro enterprises and small enterprises	9	303.66	297.40
Other current liabilities	9	959.45	1,038.88
Short-term provisions	7	32.51	48.04
		<b>1,975.85</b>	<b>1,975.57</b>
<b>Total</b>		<b>5,685.37</b>	<b>5,163.02</b>
<b>Assets</b>			
<b>Non-current Assets</b>			
Fixed assets			
Tangible assets	10	113.30	107.41
Intangible assets	11	4.60	4.26
Capital work-in-progress		-	12.20
		<b>117.90</b>	<b>123.87</b>
Non-current investments	12	51.28	69.49
Properties held for development	13	688.07	757.18
Deferred tax assets (net)	14	11.25	5.47
Long-term loans and advances	15	395.65	292.66
Other non-current assets	16	15.74	12.00
		<b>1,279.89</b>	<b>1,260.67</b>
<b>Current Assets</b>			
Inventories			
Raw materials	17	28.17	35.64
Properties under development		2,711.20	2,272.42
Properties held for sale		551.11	509.01
		<b>3,290.48</b>	<b>2,817.07</b>
Trade receivables	18	336.32	438.12
Cash and bank balances	19	292.27	223.33
Short-term loans and advances	15	249.89	271.38
Other current assets	16	236.52	152.45
		<b>4,405.48</b>	<b>3,902.35</b>
<b>Total</b>		<b>5,685.37</b>	<b>5,163.02</b>
Significant accounting policies	2		

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

As per report of even date

For Walker Chandio & Co LLP

Chartered Accountants

per Sanjay Banthia

Partner

Mumbai  
27 May 2016

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

Ashish Puravankara

Managing Director  
DIN 00504524

Hari Ramakrishnan

Deputy Chief Financial Officer

Mumbai  
27 May 2016

Nani R Choksey

Joint Managing Director  
DIN 00504555

D. Bindu

Company Secretary  
Mem No 23290

## Consolidated Statement of Profit and Loss for the year ended 31 March 2016

(All amounts in ₹ crore, unless otherwise stated)

	Note	31 Mar 2016	31 Mar 2015
<b>Income</b>			
<b>Revenue from operations</b>			
Revenue from projects	20	1,537.74	1,658.57
Other operating revenues	20	12.96	13.77
Other income	20	17.15	12.90
<b>Total</b>		<b>1,567.85</b>	<b>1,685.24</b>
<b>Expenses</b>			
Material and contract cost	21	991.44	889.42
Land cost		350.00	168.92
(Increase) in inventory of properties under development and properties held for sale	22	(480.88)	(115.44)
Employee benefits expense	23	110.30	117.15
Finance expense, net	24	243.81	223.96
Depreciation and amortization	25	15.99	14.93
Other expenses	26	229.58	226.48
<b>Total</b>		<b>1,460.24</b>	<b>1,525.42</b>
<b>Profit before tax, prior period items, minority interest and share of profit/(loss) in associates, net</b>		<b>107.61</b>	<b>159.82</b>
Share of profit/(loss) in associates, net		(0.57)	(4.87)
<b>Profit before tax, prior period items and minority interest</b>		<b>107.04</b>	<b>154.95</b>
<b>Tax expense</b>			
Current tax	27	45.48	54.31
Tax of earlier year	27	(0.20)	(27.02)
Deferred tax		(4.86)	(4.15)
<b>Profit after tax and before prior period items and minority interest</b>		<b>66.62</b>	<b>131.81</b>
Prior period income (net)	28	0.19	0.89
<b>Profit after tax and before minority interest</b>		<b>66.81</b>	<b>132.70</b>
Minority interest		-	(0.03)
<b>Net profit for the year</b>		<b>66.81</b>	<b>132.73</b>
<b>Earnings per share (Nominal value ₹5 per share)</b>			
Basic (₹)	29	2.82	5.60
Diluted (₹)	29	2.82	5.60
Significant accounting policies	2		

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

As per report of even date

For Walker Chandio & Co LLP

Chartered Accountants

per Sanjay Banthia

Partner

Mumbai

27 May 2016

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

Ashish Puravankara

Managing Director

DIN 00504524

Hari Ramakrishnan

Deputy Chief Financial Officer

Mumbai

27 May 2016

Nani R Choksey

Joint Managing Director

DIN 00504555

D. Bindu

Company Secretary

Mem No 23290

## Consolidated Cash Flow Statement for the year ended 31 March 2016

(All amounts in ₹ crore, unless otherwise stated)

	31 Mar 2016	31 Mar 2015
<b>A. Cash flow from operating activities</b>		
Profit before tax, prior period items and minority interest	107.04	154.95
Adjustments for:		
Depreciation and amortization	15.99	14.93
(Profit)/loss on sale of fixed assets	1.20	(0.01)
Finance expense, net	243.81	223.96
Liabilities no longer required written back	(14.79)	-
Advances written-off	0.21	-
Profit on sale of share of associate	-	(11.91)
Interest received on Income Tax refund	-	(0.39)
Share of loss in associates	0.57	4.87
<b>Operating profit before working capital changes</b>	<b>354.03</b>	<b>386.40</b>
Movements in working capital :		
(Increase)/decrease in trade receivables	101.80	(92.24)
(Increase)/decrease in inventories of raw materials	7.47	(1.45)
(Increase) in loans and advances & other current assets	(136.10)	(52.46)
(Increase) in properties under development	(392.00)	(40.64)
Decrease in properties held for sale	91.16	92.15
Increase/(decrease) in current liabilities and provisions	(66.53)	97.74
<b>Cash (used in)/received from operations</b>	<b>(40.17)</b>	<b>389.50</b>
Direct taxes paid (net)	(36.30)	(59.75)
<b>Net cash from/(used in) operating activities</b>	<b>(76.47)</b>	<b>329.75</b>
<b>B. Cash flows from investing activities</b>		
Purchase of fixed assets, including capital advances	(15.48)	(35.02)
Proceeds from sale of fixed assets	6.15	0.47
Loans to related parties	-	(0.20)
Loans repaid by associates	0.20	9.47
Investments made in equity shares of associate	-	(3.78)
Proceeds from sale of share of associate	-	32.21
Proceeds from redemption of preference share of associate	17.64	-
Properties held for development	(31.68)	(21.12)
Deposits and advances	(50.44)	(61.18)
Net investment in bank deposits and margin monies	(0.54)	(7.09)
Dividend income received	36.76	-
Interest received	5.57	7.19
<b>Net cash (used in) investing activities</b>	<b>(31.81)</b>	<b>(79.05)</b>

## Consolidated Cash Flow Statement *(contd.)* for the year ended 31 March 2016

*(All amounts in ₹ crore, unless otherwise stated)*

	31 Mar 2016	31 Mar 2015
<b>C. Cash flows from financing activities</b>		
Proceeds from term loans	1,362.48	1,408.39
Repayment of term loans	(1,053.91)	(1,226.00)
Proceeds from debentures	115.88	-
Repayments of unsecured loan	(2.04)	(1.69)
Proceeds from/(repayments of) cash credit and working capital loans (net)	91.21	(98.04)
Dividend paid (including taxes)	(80.99)	(53.26)
Finance charges paid	(252.32)	(233.84)
<b>Net cash generated from/(used in) financing activities</b>	<b>180.31</b>	<b>(204.44)</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>72.02</b>	<b>46.26</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>211.76</b>	<b>165.50</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>283.78</b>	<b>211.76</b>
<b>Components of cash and cash equivalents</b>		
Cash and bank balances (as per Note 19 to the financial statements)	292.27	223.33
Less: Bank deposits and margin monies considered separately	8.49	11.57
	<b>283.78</b>	<b>211.76</b>

As per report of even date

**For Walker Chandio & Co LLP**  
Chartered Accountants

per **Sanjay Banthia**  
Partner

Mumbai  
27 May 2016

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

**Ashish Puravankara**  
Managing Director  
DIN 00504524

**Hari Ramakrishnan**  
Deputy Chief Financial Officer

Mumbai  
27 May 2016

**Nani R Choksey**  
Joint Managing Director  
DIN 00504555

**D. Bindu**  
Company Secretary  
Mem No 23290

## Summary of significant accounting policies and other explanatory information

(All amounts in ₹ crore, unless otherwise stated)

### 1 Corporate information

Puravankara Projects Limited (the 'Company') was incorporated on 03 June 1986. The Company is engaged in the business of construction, development and sale of all or any part of housing projects, commercial premises and other related activities.

The Company has the following subsidiaries (collectively referred to as the 'Group') and associates:

#### A. Corporate entities

Name of the entity	Country of incorporation	Effective shareholding
<b>Overseas subsidiary companies</b>		
Welworth Lanka Holding Private Limited	Sri Lanka	100%
Welworth Lanka Private Limited	Sri Lanka	100%
Purva Corporation	British Virgin Islands	100%
Puravankara (UK) Limited	British Virgin Islands	100%
<b>Indian subsidiary companies</b>		
Prudential Housing and Infrastructure Development Limited	India	100%
Centurions Housing and Constructions Private Limited	India	100%
Melmont Construction Private Limited	India	100%
Purva Marine Properties Private Limited	India	100%
Purva Realities Private Limited	India	100%
Grand Hills Developments Private Limited	India	100%
Purva Ruby Properties Private Limited	India	100%
Purva Good Earth Properties Private Limited	India	100%
Purva Sapphire Land Private Limited	India	100%
Purva Star Properties Private Limited	India	100%
Nile Developers Private Limited	India	100%
Vaigai Developers Private Limited	India	100%
Puravankara Hotels Limited	India	100%
Purva Land Limited	India	100%
Starworth Infrastructure and Construction Limited	India	100%
Provident Housing Limited	India	100%
Jaganmata Property Developers Private Limited *	India	100%
Jyothishmati Business Centers Private Limited *	India	100%
Vagishwari Land Developers Private Limited *	India	100%
Varishtha Property Developers Private Limited *	India	100%
<b>Associate companies</b>		
Keppel Puravankara Development Private Limited	India	49.00%
Propmart Technologies Limited	India	32.83%
Sobha Puravankara Aviation Private Limited	India	49.75%

There is no change in the effective shareholding of all of the above entities from the previous year ended 31 March 2015.

\* These subsidiaries were incorporated during the year ended 31 March 2016.

#### B. Partnership firm with majority control considered as subsidiaries

Partnership firm	Capital as at 31 Mar 2016	Capital as at 31 Mar 2015
Pune Projects LLP *	0.016	0.016

\* Voting right 51% with profit sharing ratio of 32%.



## Summary of significant accounting policies and other explanatory information

(All amounts in ₹ crore, unless otherwise stated)

### 2 Significant accounting policies

#### a. Basis of preparation

The consolidated financial statements of the Group and associates have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). These consolidated financial statements have been prepared to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014 (as amended). The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

The Central Government in consultation with National Advisory Committee on Accounting Standards has amended Companies (Accounting Standards) Rules, 2006 ('principal rules'), vide notification issued by Ministry of Corporate Affairs dated 30 March 2016. The Companies (Accounting Standards) Rules, 2016 is effective on the date of its publication in the official gazette, i.e., 30 March 2016. The Company believes that the Rule 3(2) of the principal rules has not been withdrawn or replaced and accordingly, the Companies (Accounting Standards) Rule, 2016 will apply for the accounting periods commencing on or after 30 March 2016. Accordingly, the changes thereof have not given effect to while preparing these financial statements.

#### b. Use of estimates

The preparation of consolidated financial statements is in conformity with generally accepted accounting principles which require the management of the Group and its associates to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon 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 in future period. Significant estimates used by management in the preparation of these consolidated financial statements include the percentage completion for projects in progress, estimates of the economic useful lives of the fixed assets, provisions for bad and doubtful debts and accruals for employee benefits.

#### c. Basis of consolidation

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

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

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

Minority interest's share of net loss for the year of the partnership firm is identified and adjusted against the profit after tax of the Group and its associates in order to arrive at the income attributable to the shareholders of the Company.

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

#### d. Revenue recognition

##### Revenue from projects

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

## Summary of significant accounting policies and other explanatory information

(All amounts in ₹ crore, unless otherwise stated)

### 2 Significant accounting policies (contd.)

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

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

Effective 01 April 2012, in accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)" (Guidance note) all projects commencing on or after the said date or projects where revenue is recognised for the first time on or after the above date, construction revenue on such projects have been recognized on percentage of completion method provided the following thresholds have been met:

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

Contract revenues represent the aggregate amounts of sale price for agreements entered into and are accrued based on the percentage that the actual construction costs incurred until the reporting date bears to the total estimated construction costs to completion.

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

For projects executed through joint development arrangements prior to 01 April 2012, which represent barter transactions, whereby the Company gives up a defined percentage of constructed area in lieu of payment for its share in the land, the Company accounts for such transactions on net basis and does not ascribe any value to the share of land acquired on such basis. Effective 01 April 2012, in accordance with the Guidance Note, developmental rights acquired through joint development arrangement are recorded on a gross basis on the estimated amount to be spent on development or construction of built up area to be surrendered in lieu of the above rights.

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

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

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

#### Rental income

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

#### Interior income

Interior income is recognized on the basis of percentage of completion method.

#### e. Properties under development

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

#### f. Properties held for sale

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

## Summary of significant accounting policies and other explanatory information

(All amounts in ₹ crore, unless otherwise stated)

### 2 Significant accounting policies (contd.)

#### g. Properties held for development

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

#### h. Fixed assets

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

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

#### i. Depreciation/amortization

Depreciation/amortization on fixed assets is provided on the straight-line method, based on the useful life of asset specified in Schedule II to the Companies Act, 2013. The Management estimates the useful lives of the assets as per the indicative useful life prescribed in Schedule II to the Companies Act, 2013, except shuttering materials whose life is estimated as 7 years.

#### j. Borrowing cost

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

#### k. Advertisement and promotional expenses

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

#### l. Impairment of assets

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

#### m. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the long-term investments.

#### n. Cash and cash equivalents

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

#### o. Inventory

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

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

## Summary of significant accounting policies and other explanatory information

(All amounts in ₹ crore, unless otherwise stated)

### 2 Significant accounting policies (contd.)

#### p. Foreign currency transactions

##### (a) Initial recognition

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

##### (b) Conversion

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

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

#### q. Leases

##### Finance leases

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

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

##### Operating leases

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

#### r. Employee benefits

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

##### Provident fund

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

##### Gratuity

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

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

##### Vacation pay

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

The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

## Summary of significant accounting policies and other explanatory information

(All amounts in ₹ crore, unless otherwise stated)

### 2 Significant accounting policies (contd.)

#### Other short-term benefits

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

#### s. Tax expense

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

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

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

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e, the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

#### t. Earnings per share

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

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

#### u. Provisions and contingent liabilities

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

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

3 Share capital		
	31 Mar 2016	31 Mar 2015
<b>Authorized shares</b>		
32.00 crore (31 Mar 2015 - 32.00 crore) equity shares of ₹5 each	160.00	160.00
<b>Issued, subscribed and fully paid-up shares</b>		
23.72 crore (31 Mar 2015 - 23.72 crore) equity shares of ₹5 each	118.58	118.58
	<b>118.58</b>	<b>118.58</b>

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

Equity shares	31 Mar 2016		31 Mar 2015	
	No. in crore	₹ crore	No. in crore	₹ crore
Balance at the beginning of the year	23.72	118.58	23.72	118.58
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>23.72</b>	<b>118.58</b>	<b>23.72</b>	<b>118.58</b>

### b. Terms/rights attached to equity shares

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

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders. The Board has proposed an annual dividend for all shareholders of the Company amounting to ₹0.78 per equity share (31 Mar 2015 - ₹1.55).

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

	31 Mar 2016		31 Mar 2015	
	No. in crore	% holding in the class	No. in crore	% holding in the class
<b>Equity shares of ₹5 each fully paid-up</b>				
Ravi Puravankara	17.79	74.99%	17.79	74.99%

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

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

The Company has not issued any bonus shares nor there has been any buy back of shares during five years immediately preceding 31 March 2016.

### e. Shares reserved for issue under options

On 01 July 2006, the members of the Company approved the Puravankara Projects Limited 2006 Employee Stock Option Scheme ('ESOS' or 'the Plan') of the Company. The plan provides for the issuance of stock options to eligible employees (including directors of the Company) with the total options issuable under the Plan not to exceed 1,366,080 options and includes a limit for the maximum and minimum number of options that may be granted to each employee. Under the plan, these options vest over a period of four years and can be exercised for a period of one year from vesting. As on 31 March 2016, there are no options outstanding under the above plan.

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

4 Reserves and surplus		
	31 Mar 2016	31 Mar 2015
Securities premium reserve	963.80	963.80
<b>General reserve</b>		
Balance at the beginning of the year	80.28	71.74
Add: Transfer during the year	-	8.54
Balance at the end of the year	<b>80.28</b>	<b>80.28</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Balance at the beginning of the year	1,098.07	1,019.17
Less: Depreciation on fully used assets due to adoption of schedule II of Companies Act, 2013	-	1.05
Add: Net profit for the year	66.81	132.73
<b>Profit available for appropriation</b>	<b>1,164.88</b>	<b>1,150.85</b>
<b>Appropriations</b>		
Less: Dividend		
- Proposed	18.50	36.76
Less: Tax on distribution of dividend		
- Proposed	3.77	7.48
Less: Transfer to general reserve	-	8.54
Balance at the end of the year	<b>1,142.61</b>	<b>1,098.07</b>
	<b>2,186.69</b>	<b>2,142.15</b>

5 Long-term borrowings				
	Non-current		Current	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
<b>Secured</b>				
<b>Debentures</b>				
1.159 (31 Mar 2015 - nil) fully paid up class B secured, unlisted, optionally convertible debentures ₹100 each	115.88	-	-	-
<b>Term loans</b>				
From banks	962.24	826.65	241.58	278.82
From others	283.61	59.21	1.13	15.33
Finance lease obligations	14.07	13.54	-	-
<b>Unsecured</b>				
<b>Term loans</b>				
From others	13.55	15.81	2.25	1.95
	<b>1,389.35</b>	<b>915.21</b>	<b>244.96</b>	<b>296.10</b>
Amount disclosed under ""Other current liabilities"" (refer note 9)"	-	-	(244.96)	(296.10)
	<b>1,389.35</b>	<b>915.21</b>	<b>-</b>	<b>-</b>

\* These are repayable within 12 months



## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

5 Long-term borrowings (contd.)		31 Mar 2016	31 Mar 2015
SI.No	Particulars	Repayment details	
<b>Debtentures</b>			
i.	1,159 fully paid up class B secured, unlisted, optionally convertible debentures of ₹100 each	115.88	-
	Mortgage of land area measuring about 31.69 acres situated at old no 32, new no 18, Keezhmanabedu village, old Sriperumbudur Taluk present Poonammallee Taluk, Thiruvallur District, Chennai, Tamil Nadu owned by the Company.	The principal value outstanding of any debenture shall if not redeemed earlier will be redeemed on the 10th anniversary of the relevant issuance of such debenture	-
	The interest on above debentures is fixed in nature. As on the Balance Sheet date, the interest rate per annum is	10.00%	-
<b>Term Loans from banks (Secured)</b>			
i.	Term loan facility from ICICI bank Limited - ₹120	120.00	-
	Exclusive charge by way of equitable mortgage on all the piece & parcel of land measuring 18.13 acres owned by the Company along with its two subsidiaries situated at Ernakulam, Thikkakara, Kerala. Hypothecation of all receivables from sold units of Purva Seasons, Purva Midtown, Purva Skywood and Purva Venezia.	Repayable in 30 monthly installments starting from Sept 2017	-
ii.	Term loan facility from ICICI - ₹150	98.08	-
	Mortgage of Developer's share in saleable area including undivided share in the property of Provident Greenpark and Provident The Tree, an exclusive charge on the scheduled receivables and all insurance proceeds, both present and future along with all monies credited/deposited in the Escrow Account & DSR Account and all investments thereof. Loan is further secured by extension of charge by way of equitable mortgage on all the piece & parcel of land measuring 18.13 acres situated at Ernakulam, Thikkakara, Kerala.	Repayable in 30 monthly installments commencing from August 2017	-
iii.	Term loan facility from HDFC Bank - ₹80	75.57	-
	Mortgage of property Purva West End on land admeasuring 8 acres located at Begur Hobli, Bengaluru along with developer share of undivided land (UDL) and existing and proposed construction thereon and also backed by the personal guarantee of Mr. Ravi Puravanakara, Chairman and Mr. Ashish Puravankara, Managing Director of the Company.	Repayable in 11 quarterly installments starting from April 2017	-
iv.	Term loan facility from HDFC - ₹300	263.37	297.46
	Mortgage of unsold stock along with undivided share in land in the property of Provident Sunworth Phase 1 & 2 along with the undivided share in land of Provident Sunworth Phase 3 & 4, mortgage of unsold stock in the Developers shares of units along with undivided share in land in the property of Provident Welworth, an exclusive charge on the scheduled receivables under the documents entered into with the customers of Provident Sunworth and Provident Welworth and all insurance proceeds, both present and future. Personal guarantee of Mr. Ravi Puravanakara, Chairman and Mr. Ashish Puravankara, Managing Director of the Company.	Repayable in 45 monthly installments starting from Mar 2016	297.46

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

5 Long-term borrowings (contd.)				
Sl.No	Particulars	Nature of security	Repayment details	
			31 Mar 2016	
			31 Mar 2015	
v.	Term loan facility from South Indian Bank - ₹40	This facility is secured by an exclusive first mortgage on proportionate undivided share of land & building pertaining to unsold inventory of Purva Highland Phase-I, Phase-II, Purva Swaniake, Purva Grandbay, Purva Eternity, Purva Oceana projects and receivables of all the above projects. This facility is backed by cash shortfall undertaken by Mr. Ashish Puravankara, Managing Director of the Company.	29 monthly instalments starting from May 2017	40.00
vi.	Term loan facility from Standard Chartered Bank - ₹294	This facility is secured by an exclusive first mortgage on proportionate undivided share of land & building pertaining to unsold inventory of Purva Highland Phase-I, Phase-II, Purva Swaniake, Purva Grandbay, Purva Eternity, Purva Oceana projects and receivables of all the above projects along with receivables of Purva Venezia and Purva Platina. This facility is backed by cash shortfall undertaken by Mr. Ashish Puravankara, Managing Director of the Company. This facility includes overdraft limit of ₹75 which is repayable as per the terms of the facility.	Repayable in 48 monthly instalments starting from Oct 2015	112.80
vii.	Term loan facility from Karur Vysya Bank - ₹100 (syndication from Standard Chartered Bank)	This facility is secured by an exclusive first mortgage on proportionate undivided share of land & building pertaining to unsold inventory of Purva Highland Phase-I, Phase-II, Purva Swaniake, Purva Grandbay, Purva Eternity, Purva Oceana projects and receivables of all the above projects along with receivables of Purva Venezia and Purva Platina. This facility is backed by cash shortfall undertaken by Mr. Ashish Puravankara, Managing Director of the Company.	Repayable in 48 monthly instalments starting from Oct 2015	95.19
viii.	Term loan facility from Standard Chartered Bank - ₹321.50	Mortgage of property together with all buildings and structures thereon, both present and future along with scheduled receivables of Purva Windermere Phase-I, II & III and also backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company. This facility includes overdraft limit of ₹80.50 which is repayable as per the terms of the facility.	Repayable in 16 quarterly instalments commencing from Mar 2015	256.98
ix.	Term loan facility from ICICI Bank Limited- ₹105	This facility is secured by an exclusive charge by way of equitable mortgage of all the piece and parcel of land and scheduled receivables of project located at Survey no. 843, Ernakulam village, Kanayannur Taluk, Ernakulam District admeasuring approx. 33,471.90 Sq.mtrs including all the structures thereon both present and future. Exclusive charge by way of hypothecation on the scheduled receivables of Purva Palmbeach.	Repayable in 24 monthly instalments commencing from Nov 2016	105.00
				285.94

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

5 Long-term borrowings (contd.)		31 Mar 2016	31 Mar 2015
Sl.No	Particulars	Nature of security	Repayment details
x.	Term loan facility from ICICI Bank Limited- ₹35	This facility is secured by an exclusive charge on land & building (both present & future) of the project Purva Skydale situated at Kudlu village, Saijapura Anekal taluk, Bengaluru admeasuring approximately 4.64 acres including hypothecation of scheduled receivables, Escrow account of Purva Skydale project. This is also secured by extension of charge by way of equitable mortgage of land and building (both present & future) of the project Purva Whitehall located at Kaikondanahalli village, Varthoor hobli, Bengaluru including extension of charge by hypothecation of scheduled receivables, Escrow account of Purva Whitehall project. Also secured by exclusive charge by way of equitable mortgage of 87,000 sq.ft. land situated at Maduvankari village, Chennai.	Repayable in 24 monthly installments starting from Aug 2016
xi.	Corporate loan facility from IFCI Limited - ₹100	Mortgage of land parcels situated at Sathanapukkam village, Chengalpattu taluk, Kancheepuram district and Padur village, Chengalpattu taluk, Kancheepuram district.	14 quarterly installments commencing from Aug 2016
xii.	Equipment loan facility from ICICI Bank Limited- ₹8.32	This facility is secured by an exclusive first charge and hypothecation of MFE form work equipment of Purva Palm Beach project.	Repayable in 36 equal monthly installments commencing from Oct 2014
xiii.	Equipment loan facility from ICICI Bank Limited- ₹5.03	This facility is secured by an exclusive first charge and hypothecation of Commercial vehicles of Purva Palm Beach and Purva West End projects.	Repayable in 36 equal monthly installments commencing from Aug 2014
xiv.	Term loan facility from South Indian Bank - ₹40	This facility is secured by pari passu charge on proportionate undivided share of land & building pertaining to unsold inventory & receivables of Purva Highland Phase-I, Phase-II, Purva Swanlake, Purva Grandbay, Purva Eternity projects and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company.	Repayable in 21 equal monthly installments starting from Feb 2015 *
xv.	Term loan facility from Standard Chartered Bank - ₹131.58	This facility is secured by an exclusive first mortgage on proportionate undivided share of land & building pertaining to unsold inventory & receivables of Purva Highland Phase-I, Phase-II, Purva Swanlake, Purva Grandbay, Purva Eternity projects and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company. This facility includes overdraft limit of ₹10 which is repayable as per the terms of the facility.	Repayable in 30 monthly installments starting from Jun 2014 *
xvi.	Term loan facility from State Bank of Hyderabad - ₹50	This facility is secured by pari passu charge on proportionate undivided share of land & building pertaining to unsold inventory & receivables of Purva Highland Phase-I, Phase-II, Purva Swanlake, Purva Grandbay, Purva Eternity projects and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company.	Repayable in 20 monthly installments starting from Oct 2014 *

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

5 Long-term borrowings (contd.)			31 Mar 2016	31 Mar 2015
Sl.No	Particulars	Nature of security	Repayment details	
xvii.	Term loan facility from The Karur Vysya Bank - ₹50	This facility is secured by pari passu charge on proportionate undivided share of land & building pertaining to unsold inventory & receivables of Purva Highland Phase-I, Phase-II, Purva Swaniake, Purva Grandbay, Purva Eternity projects and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company.	Repayable in 18 monthly installments starting from Dec 2014*	- 30.75
xviii.	Term loan facility from State Bank of Bikaner & Jaipur - ₹33.42	This facility is secured by pari passu charge on proportionate undivided share of land & building pertaining to unsold inventory & receivables of Purva Highland Phase-I, Phase-II, Purva Swaniake, Purva Grandbay, Purva Eternity projects and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company.	Repayable in 19 monthly installments starting from Nov 2014*	- 22.15
xix.	Term loan facility from State Bank of Mysore - ₹50 (syndication from Standard Chartered Bank)	This facility is secured by pari passu charge on proportionate undivided share of land & building pertaining to unsold inventory & receivables of Purva Highland Phase-I, Phase-II, Purva Swaniake, Purva Grandbay, Purva Eternity projects and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company.	Repayable in 21 monthly installments starting from Sep 2014*	- 26.93
xx.	Term loan facility from ICICI Bank Limited- ₹100	This facility is secured by an exclusive charge by way of equitable mortgage of 87,000 sq.ft land situated at Maduvankari village, Chennai together with all buildings and structures thereon both present and future, undivided share of land of Purva Bluemont Project Phase I (excluding the proportionate share of sold area of 498,072 sq.ft approx) together with all buildings & structures thereof both present and future and hypothecation of scheduled receivables, Escrow account and DSR account of Purva Bluemont Project Phase I and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company.	Repayable in 30 monthly installments commencing from Sep 2013	0.64 40.65
xxi.	Term loan facility from ICICI Bank Limited- ₹150	Mortgage of building and structure thereon both present and future of Purva Seasons project, receivables of Purva Season Project and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Mr. Ashish Puravankara, Managing Director of the Company.	Repayable in 30 monthly installments starting from Aug 2013	- 7.39
xxii.	Term loan facility from IDBI Bank Limited- ₹88	Mortgage of immovable property at Edapally, Kochi measuring about 11.15 acres and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company.	Repayable in 8 equal quarterly installments starting from Oct 2013	- 22.00
xxiii.	Other loans (Vehicle loans)	Secured by a charge against respective vehicles.	Repayable in 36 to 60 monthly installments	- 0.27
				<b>1,203.82</b> <b>1,105.47</b>
			The interest on above term loans from banks are linked to the respective banks base rates which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between	11.50% to 13.75% 8.35% to 15.00%

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

5 Long-term borrowings (contd.)		31 Mar 2016	31 Mar 2015
SI.No	Particulars	Repayment details	
Term loans from others (Secured)			
	Nature of security		
i.	Term loan facility from Piramal Enterprises Limited- ₹235.09	14 quarterly instalments starting from Sep 2017	188.09
	73% of UDS of unsold area & receivables from sold and unsold area of Purva Gainz, UDS proportionate to inventory in Purva Skydale, Purva Sunflower, Purva Whitehall, Purva Amaiti and Purva Bluemont along with receivables from sold and unsold units of the respective projects, 60% of UDS of unsold area and receivables from sold and unsold area of Purva Primus. Exclusive first charge by way of equitable mortgage on land parcel measuring 17 acres in Padur at Chennai and exclusive charge by way of equitable mortgage on UDS of unopened phase of Purva Amaiti.		-
ii.	Term loan facility from Aditya Birla Finance Limited- ₹95	29 monthly instalments starting from May 2017	95.00
	This facility is secured by an exclusive first mortgage on proportionate undivided share of land & building pertaining to unsold inventory of Purva Highland Phase-I, Phase-II, Purva Swanlake, Purva Grandbay, Purva Eternity, Purva Oceana projects and receivables of all the above projects along with receivables of Purva Venezia and Purva Platina. This facility is backed by cash shortfall undertaking by Mr. Ashish Puravankara, Managing Director of the Company.		-
iii.	Term loan facility from PNB Housing Finance Limited - ₹90	Repayable in 60 equal monthly instalments starting from Feb 2014	-
	This facility is secured by registered mortgage of unsold units at Purva Venezia, Purva Atria Platina and Purva Oceana Projects.		72.67
iv.	Vehicle Loan from Kotak Mahindra Prime Limited	Repayable in 36 to 60 monthly instalments	1.87
	Secured by a charge against respective vehicle.		<b>284.74</b>
	The interest on above term loans from others are primarily linked to the respective benchmarks which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between	9.56% to 15.23%	9.78% to 15.23%
Term loan from others (Unsecured)			
i.	HDFC Limited- ₹22	Repayable in 108 equated monthly instalments starting from Jul 2012	15.80
	Mortgage of non residential property, Purva Premier owned by Mr. Ravi Puravankara, Chairman of the Company.		17.76
	The interest on above term loans from others are primarily linked to the respective benchmarks which are floating in nature. As on the Balance Sheet date, the interest rate per annum is		<b>15.80</b>
			12.80%
			<b>17.76</b>
			13.00%

\* Loans pre-closed during the year.

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

6 Other long-term liabilities		
	31 Mar 2016	31 Mar 2015
Security deposits	3.33	1.84
	<b>3.33</b>	<b>1.84</b>

7 Provisions				
	Non-current		Current	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
<b>Provision for employee benefits</b>				
Gratuity	11.57	9.67	0.92	1.46
Vacation pay	-	-	1.86	1.76
Provision for tax {net of advance tax ₹63.27 (31 Mar 2015- ₹34.97)}	-	-	7.46	0.58
<b>Other provisions</b>				
Proposed dividend	-	-	18.50	36.76
Tax on proposed dividend	-	-	3.77	7.48
	<b>11.57</b>	<b>9.67</b>	<b>32.51</b>	<b>48.04</b>

8 Short-term borrowings		
	31 Mar 2016	31 Mar 2015
<b>Secured</b>		
Term loans from banks*	105.02	259.91
Term loans from others*	154.91	-
Cash credit and other loan from banks	154.47	63.26
	<b>414.40</b>	<b>323.17</b>
<b>Unsecured</b>		
Term loans from banks	198.90	198.90
Working capital loan from bank	32.16	32.25
Interest free loan from related parties repayable on demand (refer note 32)	27.43	27.43
	<b>258.49</b>	<b>258.58</b>
	<b>672.89</b>	<b>581.75</b>
* Classified based on the operating cycle of the Company. The amount repayable within twelve months:		
Term loans from banks	19.82	48.52
Term loans from others	-	-

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

8 Short-term borrowings (contd.)		31 Mar 2016	31 Mar 2015
SI.No	Particulars	Nature of security	
Term loans from banks (Secured)			
i.	Term loan facility from ICICI bank Limited - ₹30	10.00	-
	Exclusive charge by way of equitable mortgage on all the piece & parcel of land measuring 18.13 acres owned by the Company along with its two subsidiary situated at Ernakulam, Thikkakara, Kerala. Hypothecation of all receivables from sold units from Purva Seasons, Purva Midtown, Purva Skywood and Purva Venezia.		
ii.	Term loan facility from ICICI Bank Limited- ₹95	95.00	95.00
	This facility is secured by an exclusive charge by way of equitable mortgage of all the piece and parcel of land and scheduled receivables of project located at Survey no. 843, Ernakulam village, Kanayannur Taluk, Ernakulam District admeasuring approx. 33,471.90 Sq.mtrs including all the structures thereon both present and future. Exclusive charge by way of hypothecation on the scheduled receivables of Purva Palmbeach.		
iii.	Term loan facility from ICICI Bank Limited- ₹95	0.02	55.00
	This facility is secured by an exclusive charge on land & building (both present & future) of the project Purva Skydale situated at Kudlu village, Saijapuram Anekal taluk, Bengaluru admeasuring approximately 4.64 acres including hypothecation of scheduled receivables, Escrow accounts and DSR account of Purva Skydale project. This is also secured by extension of charge by way of equitable mortgage of land and building (both present & future) of the project Purva Whitehall located at Kaikondanahalli village, Varthoor hobli, Bengaluru including extension of charge by hypothecation of scheduled receivables, Escrow account and DSR account of Purva Whitehall project. Also secured by exclusive charge by way of equitable mortgage of 87,000 sq.ft land situated at Maduvankari village, Chennai.		
iv.	Credit facility from Standard Chartered Bank - ₹60	-	41.80
	This facility is secured by exclusive charge over land & buildings and receivables of Purva Sunflower Project. This facility includes overdraft limit of ₹15 which is repayable as per the terms of the facility.		
v.	Term loan facility from ICICI Bank Limited- ₹50	-	50.00
	Mortgage of building and structure thereon both present and future, receivables of Purva Seasons Project and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Mr. Ashish Puravankara, Managing Director of the Company.		



## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

8 Short-term borrowings (contd.)					
SI.No	Particulars	Nature of security	Repayment details	31 Mar 2016	31 Mar 2015
vi.	Term loan facility from IndusInd Bank Limited - ₹55	This facility is secured by an exclusive charge by way of equitable mortgage of unsold units of Purva Skywood project. This facility includes overdraft limit of ₹25.15 which is repayable as per the terms of the facility.	Repayable in 15 monthly installments commencing from Sep 2014	-	18.11
				105.02	259.91
		The interest on above term loans from banks are linked to the respective banks base rates which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between		12.15% to 12.60%	12.80% to 15.00%
Term loans from others (Secured)					
i.	Term loan facility from Piramal Enterprises Limited- ₹154.91	73% of UDS of unsold area & receivables from sold and unsold area of Purva Gainz, UDS proportionate to inventory in Purva Skydale, Purva Sunflower, Purva Whitehall, Purva Amaiti and Purva Bluemont along with receivables from sold and unsold units of the respective projects, 60% of UDS of unsold area and receivables from sold and unsold area of Purva Primus. Exclusive first charge by way of equitable mortgage on land parcel measuring 17 acres in Padur at Chennai and exclusive charge by way of equitable mortgage on UDS of unopened phase of Purva Amaiti.	14 quarterly instalments starting from Sep 2017	154.91	-
				154.91	-
		The interest on above term loan from the financial institution is fixed in nature. As on the Balance Sheet date, the interest rate per annum is		12.00%	-

\* Loans pre-closed during the year.

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

8 Short-term borrowings (contd.)		31 Mar 2016	31 Mar 2015
SI.No	Particulars	Nature of security	
<b>Cash credit and other loan from banks (Secured)</b>			
i.	Cash credit facility from Andhra Bank- ₹108	98.52	14.93
	Secured against 60% share of Purva Mall situated at no. 53,54, 54/1,2,3, Church street, Bengaluru, residential plots/apartments of extent 98,514 sq.fts situated at Whitefield Bouganvilla, Channasandra village, Bidarahalli Hobli, Bengaluru, land of extent 20 acres and 7.5 guntas situated at Kachanayakanahalli village, Jigani Hobli, Anekal Taluk, Bengaluru, land parcel measuring 2A & 16G situated at Sy no 2, Thalgaattapura, Mallasandra Village, Bengaluru and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Mr. Ashish Puravankara, Managing Director of the Company.		
ii.	Overdraft facility from Dhanlaxmi Bank- ₹50	49.77	48.33
	Mortgage of land parcel in the 33.56 acres owned by the company situated at Uganavadi village, Bengaluru and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company.		
iii.	Cash credit facility from IndusInd Bank Limited- ₹10	6.18	-
	This facility is secured by an exclusive charge on the stock, book debts and fixed assets, excluding assets which have been exclusively funded under equipment finance of Stanworth Infrastructure and Construction Limited.		
		<b>154.47</b>	<b>63.26</b>
	The interest on above loans from others are primarily linked to the respective benchmarks which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between	11.75% to 13.10%	13.50% to 14.50%
<b>From banks (Unsecured)</b>			
i.	Working capital facility from Deutsche Bank- ₹65	32.16	32.25
	Secured by pledge of personal investments of Mr. Ravi Puravankara, Chairman of the Company.		
ii.	Short-term loan from Barclays PLC- ₹169	168.90	168.90
	Secured by pledge of personal investments of Mr. Ravi Puravankara, Chairman of the Company.		
iii.	Term loan facility from Citi Bank- ₹30	30.00	30.00
	Secured by pledge of personal investments of Mr. Ravi Puravankara, Chairman of the Company.		
		<b>231.06</b>	<b>231.15</b>
	The interest on above loans from others are primarily linked to the respective benchmarks which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between	9.20% to 9.65%	9.75% to 9.95%

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

9 Trade payables		
	31 Mar 2016	31 Mar 2015
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Trade payables	300.52	294.39
Due to related parties	3.14	3.01
	<b>303.66</b>	<b>297.40</b>
<b>Other current liabilities</b>		
Current maturities of long-term borrowings (refer note 5)	244.96	296.10
Advances received from customers	174.31	204.02
Interest accrued but not due on borrowings	1.89	4.16
Statutory dues payable	4.89	7.95
TDS payable	6.08	6.70
Book overdraft	-	0.59
Dues to employees	3.88	4.35
Bonus payable (refer note 31)	2.91	2.15
Other payables *	512.91	506.52
Lease equalisation reserve	7.51	6.24
Unpaid dividend	0.11	0.10
	<b>959.45</b>	<b>1,038.88</b>
	<b>1,263.11</b>	<b>1,336.28</b>

\*Includes obligations payables to landowners under the joint development arrangements.

10 Tangible assets										
	Land *	Buildings**	Plant and machinery	Office equipments	Computer equipment	Furniture and fixtures	Vehicles	Shuttering material	Leasehold improvements	Total
<b>Cost</b>										
At 01 April 2014	7.17	17.54	31.13	4.77	8.23	5.66	12.06	33.81	15.03	135.40
Additions	0.26	15.38	8.71	1.91	1.82	0.52	2.74	2.05	2.87	36.26
Disposals	-	-	(0.23)	(0.10)	(0.20)	(0.02)	(1.56)	-	-	(2.11)
<b>At 31 Mar 2015</b>	<b>7.43</b>	<b>32.92</b>	<b>39.61</b>	<b>6.58</b>	<b>9.85</b>	<b>6.16</b>	<b>13.24</b>	<b>35.86</b>	<b>17.90</b>	<b>169.55</b>
Additions	-	-	1.49	1.65	0.53	0.73	1.04	20.75	1.87	28.06
Disposals	-	-	(7.47)	(0.41)	(0.61)	(0.57)	(1.24)	-	(1.41)	(11.71)
<b>At 31 Mar 2016</b>	<b>7.43</b>	<b>32.92</b>	<b>33.63</b>	<b>7.82</b>	<b>9.77</b>	<b>6.32</b>	<b>13.04</b>	<b>56.61</b>	<b>18.36</b>	<b>185.90</b>
<b>Depreciation</b>										
At 01 April 2014	-	0.96	11.81	0.88	3.29	1.39	4.81	22.84	1.85	47.83
Charged to statement of profit and loss	-	0.92	3.17	1.15	2.13	0.72	1.92	2.14	1.57	13.72
Prior period depreciation	-	1.19	-	-	-	-	-	-	-	1.19
Adjusted to the opening reserves and surplus	-	-	-	0.64	0.23	0.06	0.12	-	-	1.05
Disposals	-	-	(0.22)	-	(0.19)	-	(1.24)	-	-	(1.65)
<b>At 31 Mar 2015</b>	<b>-</b>	<b>3.07</b>	<b>14.76</b>	<b>2.67</b>	<b>5.46</b>	<b>2.17</b>	<b>5.61</b>	<b>24.98</b>	<b>3.42</b>	<b>62.14</b>
Charge for the year	-	0.82	3.29	1.41	1.72	0.62	1.51	3.61	1.84	14.82
Disposals	-	-	(2.18)	(0.13)	(0.57)	(0.11)	(1.07)	-	(0.30)	(4.36)
<b>At 31 Mar 2016</b>	<b>-</b>	<b>3.89</b>	<b>15.87</b>	<b>3.95</b>	<b>6.61</b>	<b>2.68</b>	<b>6.05</b>	<b>28.59</b>	<b>4.96</b>	<b>72.60</b>
<b>Net block</b>										
At 31 Mar 2015	7.43	29.85	24.85	3.91	4.39	3.99	7.63	10.88	14.48	107.41
At 31 Mar 2016	7.43	29.03	17.76	3.87	3.16	3.64	6.99	28.02	13.40	113.30

During the year ended 31 March 2015, the Company had reassessed the useful life of the fixed assets internally which coincide with the indicative useful life given in Schedule II of the Companies Act 2013. The aforesaid change did not have a material impact on statement of profit and loss for the year ended 31 March 2015. However, in accordance with the transitional provision, unamortized depreciation amounting to ₹1.05, towards tangible assets that should have been fully depreciated based on the revised useful life given in Schedule II of the Companies Act 2013, had been adjusted to the opening reserves and surplus.

\* Represents the undivided share of land in a jointly developed commercial property and owned commercial property.

\*\* Assets acquired under finance lease (refer note 30 B)

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 10 Tangible assets (contd.)

Buildings include asset taken on finance lease. Finance lease liabilities are secured by the related asset held under finance lease.

Particulars	31 Mar 2016	31 Mar 2015
Gross block	11.32	11.32
Accumulated depreciation	1.55	1.29
<b>Net block</b>	<b>9.77</b>	<b>10.03</b>

### 11 Intangible assets

	Computer software	Total
<b>Cost</b>		
At 01 April 2014	7.52	7.52
Additions	0.93	0.93
Disposals	-	-
<b>At 31 Mar 2015</b>	<b>8.45</b>	<b>8.45</b>
Additions	1.51	1.51
Disposals	-	-
<b>At 31 Mar 2016</b>	<b>9.96</b>	<b>9.96</b>
<b>Amortization</b>		
At 01 April 2014	2.98	2.98
Charge for the year	1.21	1.21
Disposals	-	-
<b>At 31 Mar 2015</b>	<b>4.19</b>	<b>4.19</b>
Charge for the year	1.17	1.17
Disposals	-	-
<b>At 31 Mar 2016</b>	<b>5.36</b>	<b>5.36</b>
<b>Net block</b>		
At 31 Mar 2015	4.26	4.26
At 31 Mar 2016	4.60	4.60

### 12 Investments

	31 Mar 2016	31 Mar 2015
<b>Non-current investments</b>		
<b>Trade investments (valued at cost unless stated otherwise)</b>		
<b>Unquoted equity instruments</b>		
<b>Investment in associates (fully paid up)</b>		
Keppel Puravankara Development Private Limited	51.28	51.85
0.44 crore equity shares (31 Mar 2015 - 0.44 crore) of ₹10 each at par		
<b>Preference shares</b>		
<b>Investment in associates (fully paid up)</b>		
Keppel Puravankara Development Private Limited *	-	17.64
nil (31 Mar 2015 - 1.76 crore) 13.25% cumulative, redeemable, convertible preference shares of ₹10 each at par		
	<b>51.28</b>	<b>69.49</b>

\* During the year, the Company redeemed Preference shares of Keppel Puravankara Development Private Limited for an aggregate consideration of ₹17.64.

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 13 Properties held for development

	Non-current	
	31 Mar 2016	31 Mar 2015
At the beginning of the year	757.18	743.11
Add : Additions during the year	31.90	20.74
Less: Transferred to properties under development	101.01	6.67
	<b>688.07</b>	<b>757.18</b>

### 14 Deferred tax asset (net)

	31 Mar 2016	31 Mar 2015
Deferred tax asset arising on account of		
Expenses allowable on payment basis		
Gratuity	4.25	3.78
Vacation pay	0.64	0.59
Bonus	1.00	0.96
Lease rent	2.47	2.06
Finance lease obligations	1.52	1.21
Carry forward of losses	4.81	0.68
Others	0.29	0.47
Less: Deferred tax liability arising on account of depreciation	(3.73)	(4.28)
	<b>11.25</b>	<b>5.47</b>

Deferred tax asset on carry forward losses and other deductible timing differences in respect of a subsidiary have been recorded in the consolidated financial statements on account of existence of virtual certainty supported by convincing evidence (i.e. non-cancellable contracts with Holding Company) that sufficient future taxable income will be available against which such deferred tax asset can be realized.

### 15 Loans and advances

	Non-current		Current	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
<b>Security deposits</b>				
Unsecured, considered good	200.46	162.80	30.53	22.60
	<b>200.46</b>	<b>162.80</b>	<b>30.53</b>	<b>22.60</b>
<b>Loans and advances to related parties</b> (Unsecured, considered good)				
Loans to associates *	27.00	25.25	-	-
	<b>27.00</b>	<b>25.25</b>	<b>-</b>	<b>-</b>
<b>Other loans and advances</b> (Unsecured, considered good)				
Advances to suppliers *	65.39	-	136.63	173.17
Advances for land contracts *	73.29	68.73	-	13.47
Advance income tax [net of provision for taxation ₹310.37 (31 Mar 2015 - ₹299.27)]	20.33	15.22	1.21	1.17
Prepaid expenses *	0.70	0.14	21.48	22.84
MAT credit entitlement	0.82	9.72	8.22	7.59
Taxes and duties recoverable	5.53	6.79	34.18	24.13
Capital advance	0.01	1.90	-	-
Other advances *	2.12	2.11	17.64	6.41
	<b>168.19</b>	<b>104.61</b>	<b>219.36</b>	<b>248.78</b>
<b>Total loans and advances</b>	<b>395.65</b>	<b>292.66</b>	<b>249.89</b>	<b>271.38</b>

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

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 16 Other assets

	Non-current		Current	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
Non-current bank balances (refer note 19)	15.50	11.88	-	-
Unbilled revenue	-	-	229.56	146.88
Interest accrued but not due on fixed deposits	0.24	0.12	0.07	0.18
Other receivables	-	-	6.89	5.39
	<b>15.74</b>	<b>12.00</b>	<b>236.52</b>	<b>152.45</b>

### 17 Inventories

	Current	
	31 Mar 2016	31 Mar 2015
<b>Raw materials</b>	28.17	35.64
	<b>28.17</b>	<b>35.64</b>
<b>Properties under development</b>		
Land cost	1,178.84	970.77
Material and construction cost	1,532.36	1,301.65
	<b>2,711.20</b>	<b>2,272.42</b>
<b>Properties held for sale</b>		
At the beginning of the year	509.01	455.87
Add : Additions during the year	161.03	178.61
Less: Sales during the year	118.93	121.15
Less: Transferred to tangible assets	-	4.32
	<b>551.11</b>	<b>509.01</b>
	<b>3,290.48</b>	<b>2,817.07</b>

### 18 Trade receivables

	Non-current		Current	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
(Unsecured, considered good)				
Outstanding for a period exceeding six months	-	-	103.32	150.52
Other receivables	-	-	233.00	287.60
	<b>-</b>	<b>-</b>	<b>336.32</b>	<b>438.12</b>

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

	Non-current		Current	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
<b>19 Cash and bank balances</b>				
<b>Cash and cash equivalents</b>				
Cash on hand			0.27	0.44
<b>Balances with banks:</b>				
On current accounts			279.04	149.82
Deposits with original maturity of less than three months			4.47	61.50
			<b>283.78</b>	<b>211.76</b>
<b>Other bank balances</b>				
Deposits with maturity for more than 12 months *	15.50	11.76	-	-
Deposits with maturity for less than 12 months *	-	-	3.27	5.29
Margin money deposit *	-	0.12	5.11	6.18
Unpaid dividend account *	-	-	0.11	0.10
	<b>15.50</b>	<b>11.88</b>	<b>8.49</b>	<b>11.57</b>
Amount disclosed under non-current assets (refer note 16)	(15.50)	(11.88)	-	-
	<b>-</b>	<b>-</b>	<b>292.27</b>	<b>223.33</b>

\* Represents amounts restricted for use

	31 Mar 2016	31 Mar 2015
<b>20 Revenue from operations</b>		
<b>Revenue from projects</b>		
Sale of properties	1,529.40	1,653.92
Interior	8.34	4.65
	<b>1,537.74</b>	<b>1,658.57</b>
a) During the year ended 31 March 2016, the Company has sold a land parcel (included within property under development) located in Bengaluru for a cash consideration of ₹140.00.		
b) On 28 April 2014, the Company entered into a sale deed to sell a portion of its property under development for cash consideration of ₹5.75. Additionally, on 02 May 2014, the Company has entered into an agreement to sell additional undivided share (UDS) of its property under development aggregating to 25 percent of the said property for a total cash consideration of ₹320.81. Of the total consideration, ₹155.81 has been received on execution of the agreement towards the portion of the UDS. The balance consideration amounting ₹164.99 and ₹0.01 towards remaining 25 percent of the property under development is payable subject to receipt of plan sanction and at the time of registration of the aforesaid transaction, respectively. Consequently, during the year ended 31 March 2015, the Company has recognized revenue from sale of land (to the extent of 25 percent of its property under development) amounting to ₹161.56. The remaining 25 percent of the property under development shall be recognized as and when the contingencies are resolved.		
<b>Other operating revenues</b>		
Rental income (refer note 30)	3.38	2.44
Scrap sales	1.27	1.15
Others	8.31	10.18
	<b>12.96</b>	<b>13.77</b>
<b>Other income</b>		
Others*	2.36	12.90
Liabilities no longer required written back **	14.79	-
	<b>17.15</b>	<b>12.90</b>

\* Includes gain on sale of investment of Keppel Magus Development Private Limited (an associate) nil for year ended 31 March 2016 (31 Mar 2015 - ₹11.91).

\*\* During the quarter and year ended 31 March 2016, the Company has written back liabilities primarily on account of retention balances no longer payable to vendors.



## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

21 Material and contract cost		
	31 Mar 2016	31 Mar 2015
Inventory of building material at the beginning of the year	35.64	34.19
Add: Incurred during the year		
Material and contract cost	983.97	890.87
Less: Inventory of building material at the end of the year	28.17	35.64
	<b>991.44</b>	<b>889.42</b>

22 (Increase) in inventory of properties under development and properties held for sale		
Inventory at the beginning of the year		
Properties under development	2,272.42	2,210.12
Properties held for sale	509.01	455.87
Inventory at the end of the year		
Properties under development	2,711.20	2,272.42
Properties held for sale	551.11	509.01
	<b>(480.88)</b>	<b>(115.44)</b>

23 Employee benefits expense		
Salaries, wages and bonus	99.63	105.29
Contribution to provident fund and other funds (refer note 33 B)	5.54	4.66
Gratuity expenses (refer note 33 A)	2.36	3.38
Vacation pay (refer note 33 A)	0.72	1.04
Staff welfare	2.05	2.78
	<b>110.30</b>	<b>117.15</b>

24 Finance expense, net*		
<b>Finance expense:</b>		
Interest		
- Term loans	207.33	191.30
- Cash credits	14.22	16.22
- Debentures	8.57	-
Loan and other processing charges	17.44	22.05
Bank charges	0.74	1.03
Others	3.04	2.17
	<b>251.34</b>	<b>232.77</b>
<b>Finance income:</b>		
Bank deposits	2.65	3.15
Interest on loan to associates	1.95	2.14
Interest received from customers	2.93	3.52
	<b>7.53</b>	<b>8.81</b>
<b>Finance expense, net</b>	<b>243.81</b>	<b>223.96</b>

\* Includes finance expense capitalized amounting to ₹224.49 for the year ended 31 March 2016 (31 Mar 2015 - ₹216.18).

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

<b>25 Depreciation and amortization</b>		
	<b>31 Mar 2016</b>	<b>31 Mar 2015</b>
Depreciation of tangible assets (refer note 10)	14.82	13.72
Amortization of intangible assets (refer note 11)	1.17	1.21
	<b>15.99</b>	<b>14.93</b>

<b>26 Other expenses</b>		
Travel and conveyance	7.12	9.02
Repairs and maintenance		
- buildings	0.20	0.89
- plant & machinery	0.49	0.26
- others	19.14	18.21
Legal and professional	51.15	50.81
Rent (refer note 30)	14.56	16.76
Rates and taxes	65.76	25.08
Security	14.39	15.04
Communication costs	2.57	3.10
Printing and stationery	2.27	3.09
Advertising and sales promotion	33.30	63.35
Brokerage and referral	8.31	13.99
Foreign exchange loss	0.20	0.21
Contribution towards CSR (refer note 35)	2.59	1.82
Miscellaneous expenses	7.53	4.85
	<b>229.58</b>	<b>226.48</b>
<b>Payment to auditor</b> (on accrual basis, excluding service tax) [included in legal and professional charges]		
<b>As auditor:</b>		
Audit fee	0.82	0.77
<b>In other capacity:</b>		
Reimbursement of expenses	0.01	0.01
	<b>0.83</b>	<b>0.78</b>

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

27 Current tax		
	31 Mar 2016	31 Mar 2015
Domestic tax	45.48	54.31
Tax of earlier year	(0.20)	(27.02)
	<b>45.28</b>	<b>27.29</b>

During the previous years, the Company received an order from the Income Tax Appellate Tribunal (ITAT) directing the Assessing Officer to carry-out the denovo assessment of the income for fiscal 2004 to 2009 in relation to the claim under Section 80-IB for a project of the Company. Based on the aforesaid denovo assessment carried out, a portion of the claim under Section 80-IB was disallowed for the above referred project. The appeal against the said ITAT order is pending before the Hon'ble High Court of Bombay.

During the previous year, the Company received favourable orders for fiscal 2010 and 2011 from CIT (Appeals) allowing the claim under Section 80-IB in relation to certain eligible projects. In addition, a portion of the claim under Section 80-IB for a project was disallowed based on the aforesaid ITAT order.

Consequently, the Company had recorded a net credit amounting ₹27.02 in the financial statements in respect of the eligible claim under Section 80-IB.

Further, during the previous year, the Company has received an order for fiscal 2005 and 2006 towards penalty amounting to ₹2.54 consequent to the denovo assessment order for those years. The appeal against the demand for penalty which is pending with CIT (Appeals). The management believes that aforesaid open litigations will not have any material affect on the financial statements.

28 Prior period income (net)		
Subvention	(0.27)	-
Depreciation	-	(1.19)
Finance expense - others	-	(4.66)
Rent	-	2.95
Sale of properties	(2.66)	1.85
Other income	3.22	2.86
Legal and professional charges	-	(2.47)
Advance for land contracts written back	-	2.14
	<b>0.29</b>	<b>1.48</b>
Less: Income tax	1.02	1.49
Less: Deferred tax	(0.92)	(0.90)
	<b>0.19</b>	<b>0.89</b>

29 Earnings per share (EPS)		
Weighted average number of shares outstanding during the year (crore)	23.72	23.72
Add: Dilutive effect of stock options (crore)	-	-
Weighted average number of shares used to compute diluted EPS (crore)	<b>23.72</b>	<b>23.72</b>
Net profit after tax attributable to equity shareholders	66.81	132.73
Earnings per share (₹):		
Basic	2.82	5.60
Diluted	2.82	5.60
Nominal value - Rupees per equity share	5.00	5.00

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 30 Leases

#### A. Operating lease

The lease expense for cancellable and non-cancellable operating leases was ₹14.56 for the year ended 31 March 2016 (31 Mar 2015 - ₹16.76). Lease commitments under the non-cancellable operating leases as at the Balance Sheet date were as follows:

Particulars	31 Mar 2016	31 Mar 2015
a) Within one year	9.62	11.81
b) One to five years	83.82	86.96
c) More than five years	26.35	31.64
<b>Total</b>	<b>119.79</b>	<b>130.41</b>

#### Sublease

The Company has sub let three of the properties under a non cancellable operating lease agreement. Lease income was ₹3.38 for the year ended 31 March 2016 (31 Mar 2015 - ₹2.44).

#### B. Finance lease

The Company has entered into a finance lease arrangement for building with a lease term of 33 years. Lease commitments under the finance lease as at the Balance Sheet date were as follows:

Particulars	31 Mar 2016	31 Mar 2015
Minimum lease payments		
Within one year	1.39	1.39
One to five years	6.35	5.93
More than five years	78.65	80.47
Amount representing interest	(72.32)	(74.25)
<b>Present value of minimum lease payments</b>	<b>14.07</b>	<b>13.54</b>

### 31 Other commitments and contingencies

	31 Mar 2016	31 Mar 2015
a) Demand from Service Tax Department	5.70	5.43
b) Demand from Commercial Tax Department	2.26	2.26
c) Penalty under section 271(1)(c) of Income Tax Act, 1961	2.54	2.54
d) Bonus payable to workers and employees	0.55	-
e) Company's share in claims not acknowledged as debts of an associate	1.47	1.47

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

On 01 January 2016, the Payment of Bonus (Amendment) Act, 2015 (the 'Act') was notified in the official gazette increasing the minimum wages for payment of statutory bonus with retrospective effect from 01 April 2014. The Hon'ble High Court of Karnataka vide order dated 02 February 2016 stayed the retrospective application of the Act. The Company has provided for the payment of bonus as per the Act for all the locations except Karnataka for which provision has been made for the period on or after 01 April 2015.

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 32 Related party transactions

(i) Parties where control exists

Mr. Ravi Puravankara

(ii) Key management personnel

Mr. Ravi Puravankara

Mr. Ashish Puravankara

(iii) Relatives of key management personnel

Ms. Geeta S Vhatkar

Mr. Lowell Fernandes

Ms. Amanda Puravankara

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

Purva Developments

Puravankara Investments

Handiman Services Limited

Dealwel – Proprietorship

(v) Associate companies

Keppel Puravankara Development Private Limited

Propmart Technologies Limited

Keppel Magus Development Private Limited (till 27 June 2014)

Sobha Puravankara Aviation Private Limited

(vi) Balances with related parties at the year end are as follows

Nature of transaction	Associates		Key management personnel		Relatives of key management personnel		Other related parties	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
<b>Loans given to</b>								
Propmart Technologies Limited	27.00	25.25	-	-	-	-	-	-
<b>Loans taken from</b>								
Puravankara Investments	-	-	-	-	-	-	1.88	1.88
Ravi Puravankara	-	-	25.55	25.55	-	-	-	-
<b>Advance for land contracts paid to</b>								
Geeta S Vhatkar	-	-	-	-	17.93	17.93	-	-
<b>Advance to suppliers</b>								
Sobha Puravankara Aviation Private Limited	67.66	49.11	-	-	-	-	-	-
<b>Security Deposits paid to</b>								
Dealwel	-	-	-	-	-	-	0.15	0.15
Puravankara Investments	-	-	-	-	-	-	0.45	0.45
<b>Dues to</b>								
Handiman Services Limited	-	-	-	-	-	-	2.93	2.80
Purva Development	-	-	-	-	-	-	0.18	0.18
Puravankara Investments	-	-	-	-	-	-	0.03	0.03
<b>Guarantees given by</b>								
Ravi Puravankara	-	-	1,245.50	1,818.50	-	-	-	-
Ashish Puravankara	-	-	1,017.00	618.00	-	-	-	-

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 32 Related party transactions (contd.)

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

Nature of transaction	Associates		Key management personnel		Relatives of key management personnel		Other related parties	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
<b>Interest income on loans</b>								
Keppel Magus Development Private Limited	-	0.19	-	-	-	-	-	-
Propmart Technologies Limited	1.95	1.95	-	-	-	-	-	-
<b>Loans given to</b>								
Propmart Technologies Limited	-	0.19	-	-	-	-	-	-
<b>Loans repaid by</b>								
Keppel Magus Development Private Limited	-	9.27	-	-	-	-	-	-
Propmart Technologies Limited	0.20	0.20	-	-	-	-	-	-
<b>Loans taken from</b>								
Ravi Puravankara	-	-	-	10.00	-	-	-	-
<b>Loans repaid to</b>								
Ravi Puravankara	-	-	-	4.20	-	-	-	-
<b>Advance paid to</b>								
Sobha Puravankara Aviation Private Limited	22.32	20.76	-	-	-	-	-	-
<b>Advance for allotment of shares</b>								
Sobha Puravankara Aviation Private Limited	-	3.78	-	-	-	-	-	-
<b>Security</b>								
Handiman Services Limited	-	-	-	-	-	-	19.80	21.35
<b>Rent (excluding service tax)</b>								
Sobha Puravankara Aviation Private Limited	2.28	3.66	-	-	-	-	-	-
Puravankara Investments	-	-	-	-	-	-	3.80	3.80
<b>Brokerage and referral</b>								
Propmart Technologies Limited	0.32	1.07	-	-	-	-	-	-
<b>Travel and conveyance</b>								
Sobha Puravankara Aviation Private Limited	0.03	0.18	-	-	-	-	-	-
<b>Proceeds on sale of investment</b>								
Keppel Magus Development Private Limited	-	32.21	-	-	-	-	-	-
<b>Proceeds on redemption of preference share</b>								
Keppel Puravankara Development Private Limited	17.64	-	-	-	-	-	-	-
<b>Remuneration (Employee benefits expense)</b>								
Ravi Puravankara	-	-	2.59	2.59	-	-	-	-
Ashish Puravankara	-	-	1.40	1.32	-	-	-	-
Lowell Fernandes	-	-	-	-	0.36	0.19	-	-
Amanda Puravankara	-	-	-	-	0.11	0.06	-	-

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 33 Employee benefits

#### A. Defined benefit plan

The Company has gratuity and vacation pay as defined benefit retirement plans for its employees. As at 31 March 2016 and 31 March 2015 the plan assets were invested in insurer managed funds.

Disclosures as required by AS 15 are as under:

	31 Mar 2016		31 Mar 2015	
	Gratuity	Vacation pay	Gratuity	Vacation pay
<b>1 The amounts recognized in the Balance Sheet are as follows:</b>				
Present value of the obligation as at the end of the year	13.47	1.86	12.90	1.76
Fair value of plan assets as at the end of the year	(0.98)	-	(1.77)	-
Net liability recognized in the Balance Sheet	<b>12.49</b>	<b>1.86</b>	<b>11.13</b>	<b>1.76</b>
<b>2 Changes in the present value of defined benefit obligation</b>				
Defined benefit obligation as at beginning of the year	12.90	1.76	9.73	1.05
Service cost	2.51	0.48	2.70	0.75
Interest cost	1.02	0.13	0.92	0.10
Actuarial losses/(gains)	(1.10)	0.11	(0.02)	0.19
Benefits paid	(1.97)	(0.62)	(0.43)	(0.33)
Others	0.11	-	-	-
Defined benefit obligation as at the end of the year	<b>13.47</b>	<b>1.86</b>	<b>12.90</b>	<b>1.76</b>
<b>3 Changes in the fair value of plan assets</b>				
Fair value as at the beginning of the year	1.77	-	1.98	-
Expected return on plan assets	0.16	-	0.11	-
Actuarial (losses)/gains	(0.09)	-	0.11	-
Contributions	1.00	0.62	-	0.33
Benefits paid	(1.97)	(0.62)	(0.43)	(0.33)
Others	0.11	-	-	-
Fair value as at the end of the year	<b>0.98</b>	<b>-</b>	<b>1.77</b>	<b>-</b>
Non-current	11.57	-	9.67	-
Current	0.92	1.86	1.46	1.76
Assumptions used in the above valuations are as under:				
Interest rate	8.00%	8.00%	7.80%	7.80%
Discount rate	8.00%	8.00%	7.80%	7.80%
Expected return on plan assets	8.75%	-	8.75%	-
Future salary increase	6.00%	6.00%	6.00%	6.00%
Attrition rate	5.00%	5.00%	5.00%	5.00%
Retirement age	60 years	60 years	60 years	60 years
<b>4 Net gratuity and vacation pay cost for the year ended 31 March 2016 and 31 March 2015 comprises of following components.</b>				
	<b>31 Mar 2016</b>		<b>31 Mar 2015</b>	
	<b>Gratuity</b>	<b>Vacation pay</b>	<b>Gratuity</b>	<b>Vacation pay</b>
Service cost	2.51	0.48	2.70	0.75
Interest cost	1.02	0.13	0.92	0.10
Actuarial losses/(gains)	(1.01)	0.11	(0.13)	0.19
Expected return on plan assets	(0.16)	-	(0.11)	-
Net cost	<b>2.36</b>	<b>0.72</b>	<b>3.38</b>	<b>1.04</b>

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 33 Employee benefits (contd.)

#### 5 Experience adjustments

	31 Mar 2016	31 Mar 2015	31 Mar 2014	31 Mar 2013	31 Mar 2012
Defined benefit obligation as at the end of the year	13.47	12.90	9.73	7.79	5.96
Plan assets	0.98	1.77	1.98	2.33	2.68
Surplus/(deficit)	(12.49)	(11.13)	(7.75)	(5.47)	(3.28)
Experience adjustments on plan liabilities	(1.10)	(0.02)	(0.25)	0.09	(0.23)
Experience adjustments on plan assets	(0.09)	0.11	(0.09)	0.03	0.02

#### B. Defined contribution plan

The Company makes contribution of statutory provident fund as per Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Employees State Insurance Scheme as per the Employees' State Insurance Act, 1948. This is a defined contribution plan as per AS 15. Contribution made was ₹5.54 for the year ended 31 March 2016 (31 March 2015- ₹4.66).

### 34

The statement of profit and loss for the year ended 31 March 2016 includes expenditure amounting to ₹27.14 (previous year - ₹56.56), respectively, in respect of completed projects sold during earlier periods.

### 35 Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are promoting education, art and culture, healthcare, ensuring environmental sustainability, destitute care and rehabilitation and rural development projects. During the year, the Company has spent ₹2.59 against ₹5.33 towards CSR activities.

### 36 Disclosure required under Section 186(4) of the Companies Act 2013

For details of loans, advances and guarantees given and securities provided to related parties refer note 32.

### 37 Segmental information

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



## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 38 Supplementary statutory information

#### a) Particulars relating to foreign currency

	31 Mar 2016	31 Mar 2015
i. Earnings in foreign currency (on receipt basis)		
Revenue from projects	3.80	3.05
ii. Expenditure in foreign currency (on accrual basis)		
Salary	2.33	2.11
Travel	1.12	1.29
Rent	0.13	0.04
Advertisement and Sales Promotion	1.11	0.42
Others	3.35	3.47
	8.04	7.33
iii. CIF value of imports		
Construction materials	1.23	0.39
Construction equipments	7.43	9.73
	8.66	10.12

#### b) Consumption of raw materials

	31 Mar 2016		31 Mar 2015	
	₹ crore	%	₹ crore	%
Indigenous	190.32	99.36	223.89	99.83
Imported	1.23	0.64	0.39	0.17
	191.55	100.00	224.28	100.00

#### c) Donation to political parties

	31 Mar 2016	31 Mar 2015
Communist Party of India	-	0.003
Revolutionary Socialist Party of Kerala (Bolshevik)	0.001	0.004
Communist Party of India (M)	0.020	0.002
Bharathiya Janatha Party	0.001	0.002
INTUC	0.001	0.001
Indian Youth Congress	-	0.001
Congress Committee	-	0.002
	0.023	0.015

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 39 Disclosures of dues to Micro, Small and Medium enterprises

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

	31 Mar 2016	31 Mar 2015
i. The principal amount remaining unpaid	7.34	9.50
ii. Interest due thereon remaining unpaid	0.03	-
iii. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iv. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	0.03	-
v. The amount of interest accrued during the year and remaining unpaid	0.03	-
vi. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	0.03	-

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

Sl. no.	Name of the entity	Net assets (total assets minus total liabilities)		Share in profit or loss	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
<b>Indian subsidiaries</b>					
1	Prudential Housing and Infrastructure Development Limited	0.02%	0.44	(0.09%)	(0.06)
2	Centurions Housing and Constructions Private Limited	0.27%	6.13	2.60%	1.74
3	Melmont Construction Private Limited	5.28%	121.69	(0.05%)	(0.04)
4	Purva Marine Properties Private Limited	-	-	-	-
5	Purva Realities Private Limited	1.56%	35.97	-	-
6	Grand Hills Developments Private Limited *	0.00%	0.01	-	-
7	Purva Ruby Properties Private Limited	0.62%	14.34	(0.27%)	(0.18)
8	Purva Good Earth Properties Private Limited	1.66%	38.34	(0.06%)	(0.04)
9	Purva Sapphire Land Private Limited	0.02%	0.57	(0.03%)	(0.02)
10	Purva Star Properties Private Limited	(1.02%)	(23.41)	21.71%	14.51
11	Nile Developers Private Limited	0.62%	14.26	(0.11%)	(0.08)
12	Vaigai Developers Private Limited	0.50%	11.52	(0.01%)	(0.01)
13	Puravankara Hotels Limited *	0.00%	0.04	-	-
14	Purva Land Limited *	0.00%	0.05	-	-
15	Jaganmata Property Developers Private Limited *	0.00%	0.01	-	-
16	Jyothishmati Business Centers Private Limited *	0.00%	0.01	-	-
17	Vagishwari Land Developers Private Limited *	0.00%	0.01	-	-

## Notes to the Consolidated Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 40 Additional Information as required under Schedule III to the Companies Act, 2013. (contd.)

Sl. no.	Name of the entity	Net assets (total assets minus total liabilities)		Share in profit or loss	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
18	Varishtha Property Developers Private Limited *	-	0.01	-	-
19	Starworth Infrastructure & Construction Limited	1.12%	25.90	(13.75%)	(9.19)
20	Provident Housing Limited	14.79%	341.02	31.32%	20.92
21	Pune Projects LLP	2.68%	61.77	(0.74%)	(0.49)
<b>Foreign subsidiaries</b>					
1	Purva Corporation *	0.00%	0.04	(0.03%)	(0.02)
2	Puravankara UK Limited	-	-	(0.02%)	(0.02)
3	Welworth Lanka Holding Private Limited *	0.00%	0.03	(0.03%)	(0.02)
4	Welworth Lanka Projects (Pvt) Ltd	0.31%	7.06	(1.22%)	(0.81)
<b>Minority interest in all subsidiaries</b>					
-					
<b>Associates (investment as per the equity method)</b>					
1	Keppel Puravankara Development Private Limited	2.03%	46.87	(0.86%)	(0.57)
2	Sobha Puravankara Aviation Private Limited	(0.21%)	(4.78)	-	-
3	Propmart Technologies Limited	(0.10%)	(2.34)	-	-

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

### 41 Prior period comparatives

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

As per report of even date

**For Walker Chandio & Co LLP**

*Chartered Accountants*

**per Sanjay Banthia**

*Partner*

Mumbai  
27 May 2016

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

**Ashish Puravankara**

*Managing Director*

DIN 00504524

**Hari Ramakrishnan**

*Deputy Chief Financial Officer*

Mumbai  
27 May 2016

**Nani R Choksey**

*Joint Managing Director*

DIN 00504555

**D. Bindu**

*Company Secretary*

Mem No 23290



**STANDALONE**  
**FINANCIAL STATEMENTS**

# Independent Auditor's Report on the Financial Statements (Parent Company)

To the Members of  
Puravankara Projects Limited

1. We have audited the accompanying standalone financial statements of Puravankara Projects Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements

and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by 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 31 March 2016, and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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 purpose 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 standalone financial statements dealt with by this report are in agreement with the books of account;
- d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
- e. on the basis of the written representations received from the directors as on 31 March 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164(2) of the Act;
- f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 27 May 2016 as per Annexure II expressed a qualified opinion.
- g. 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, in our opinion and to the

best of our information and according to the explanations given to us:

- (i) As detailed in Note 30 to the standalone financial statements, the Company has disclosed the impact of pending litigations on its standalone financial position;
- (ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
- (iii) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For **Walker Chandiok & Co LLP**

*Chartered Accountants*

Firm Registration No.: 001076N/N500013

per **Sanjay Banthia**

*Partner*

Membership No.: 061068

Mumbai

27 May 2016

# Annexure I to the Independent Auditor's Report of even date to the members of Puravankara Projects Limited, on the standalone financial statements for the year ended 31 March 2016

## Annexure I

Independent Auditor's Report On Companies (Auditor's Report) Order, 2016 ('the order') under Sub-Section II of section 143 of the Companies Act, 2013 ('the Act')

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties are held in the name of the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has granted interest free and interest bearing unsecured loans to companies/firms/LLPs covered in the register maintained under Section 189 of the Act; and with respect to the same:
  - (a) In our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.
  - (b) The schedule of repayment of the principal and the payment of the interest has not been stipulated and hence we are unable to comment as to whether repayments/receipts of the principal amount and the interest are regular.
- (c) In the absence of stipulated schedule of repayment of principal and payment of interest, we are unable to comment as to whether there is any amount which is overdue for more than 90 days and whether reasonable steps have been taken by the Company for recovery of the principal amount and interest.
- (iv) In our opinion, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under clause (d) of sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, duty of custom, duty of excise, cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount	Amount Paid Under Protest	Period to which the amount relates	Forum where dispute is pending
The Karnataka Value Added Tax Act, 2003	Value Added Tax (including interest & penalty on an approximate basis)	87,21,672	8,197,122	2005 – 2007	Karnataka Appellate Tribunal
		1,39,19,162	6,959,582	2008-2011	The Joint Commissioner (Appeals)
Chapter V of the Finance Act, 1994	Irregular shifting from Construction of Complex service to Works contract service including Interest & penalty	5,69,95,015	-	2007-2008	Customs, Excise & Service Tax Appellate Tribunal, Bangalore
	Service tax not paid on other services	2,23,25,348	-	2002-2006	Customs, Excise & Service Tax Appellate Tribunal, Bangalore
Income-Tax Act, 1961	Interest on delayed payment of TDS	7,04,824	704,824	2009-2010	Commissioner of Income Tax (Appeals)
	Penalty under Section 271(1)(c)	2,54,36,199	-	2005-2007	High Court of Bombay
	Disallowance of deduction under section 80-IB	36,04,12,780	-	2012-2014	Commissioner of Income Tax (Appeals)

Note: During the earlier years, the Company received an order from the Income Tax Appellate Tribunal (ITAT) directing the Assessing Officer to carry-out the denovo assessment of the income for fiscal 2004 to 2009 in relation to the claim under Section 80-IB for a project of the Company allowing proportionate allowance for eligible units under Section 80-IB. The department has filed an appeal against the said ITAT order which is pending before the High Court of Bombay.

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank during the year. The Company did not have any outstanding debentures or loan from financial institution and government during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purpose for which the loans were obtained, though idle/surplus funds which were not required for immediate utilization were temporarily used for the purpose other than for which the loan was sanctioned but were ultimately utilized for the stated end-use.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) In our opinion, managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of Act, where applicable,
- and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

per **Sanjay Banthia**  
Partner  
Membership No.: 061068

Mumbai  
27 May 2016



# Annexure II to the Independent Auditor's Report of even date to the members of Puravankara Projects Limited, on the standalone financial statements for the year ended 31 March 2016

## Annexure II

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

1. In conjunction with our audit of the standalone financial statements of Puravankara Projects Limited ("the Company") as at and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company as at that date.

### Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the control criteria in accordance with the Internal control framework defined in Annexure I to SA 315 "Identifying and Assessing the Risk of Material Misstatement Through Understanding the Entity and its Environment" ("the framework"). 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 the company's business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating

effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

### Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Basis of Qualified Opinion

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the adequacy and operating effectiveness of the Company's IFCoFR as at 31 March 2016:

The Company did not have adequate internal financial controls over financial reporting with respect to supervisory and review controls of periodic reconciliation, including timely resolution thereof, of advance received from customers and vendor balances, primarily retention claims payable, to the subsidiary ledgers, which could potentially result in material misstatement in the value of the Company's trade payables and other current liabilities, prior period items and resultant impact on the profit after tax and the reserves and surplus.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

### Qualified Opinion

9. In our opinion, except for the effects of the material weakness described above in the Basis for Qualified Opinion paragraph the Company has, in all material respects, maintained adequate

IFCoFR, and such IFCoFR were operating effectively as at 31 March 2016 based on the control criteria established in accordance with the framework.

10. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31 March 2016 standalone financial statements of the Company and the material weakness do not affect our opinion on the standalone financial statements of the Company and we have issued an unqualified opinion on the standalone financial statements.

For **Walker Chandiok & Co LLP**

*Chartered Accountants*

Firm Registration No.: 001076N/N500013

per **Sanjay Banthia**

*Partner*

Membership No.: 061068

Mumbai

27 May 2016

## Balance Sheet as at 31 March 2016

*(All amounts in ₹ crore, unless otherwise stated)*

	Note	31 Mar 2016	31 Mar 2015
<b>Equity and Liabilities</b>			
<b>Shareholders' Funds</b>			
Share capital	2	118.58	118.58
Reserves and surplus	3	1,795.12	1,732.42
		<b>1,913.70</b>	<b>1,851.00</b>
<b>Non-current Liabilities</b>			
Long-term borrowings	4	943.91	615.68
Other long-term liabilities	5	4.17	2.68
Long-term provisions	6	9.63	8.24
		<b>957.71</b>	<b>626.60</b>
<b>Current Liabilities</b>			
Short-term borrowings	7	746.63	619.33
Trade payables			
total outstanding dues of micro enterprises and small enterprises		5.84	8.46
total outstanding dues of creditors other than micro enterprises and small enterprises	8	197.98	201.98
Other current liabilities	8	646.47	864.65
Short-term provisions	6	25.96	46.15
		<b>1,622.88</b>	<b>1,740.57</b>
<b>Total</b>		<b>4,494.29</b>	<b>4,218.17</b>
<b>Assets</b>			
<b>Non-current Assets</b>			
Fixed assets			
Tangible assets	9	75.45	81.60
Intangible assets	10	4.48	4.10
Capital work-in-progress		-	0.85
		<b>79.93</b>	<b>86.55</b>
Non-current investments	11	23.68	38.93
Properties held for development	12	496.96	568.46
Deferred tax assets (net)	13	5.01	3.56
Long-term loans and advances	14	538.02	412.47
Other non-current assets	15	10.82	10.91
		<b>1,154.42</b>	<b>1,120.88</b>
<b>Current Assets</b>			
Inventories	16		
Raw materials		17.82	21.60
Properties under development		2,063.82	1,780.46
Properties held for sale		444.18	494.41
		<b>2,525.82</b>	<b>2,296.47</b>
Trade receivables	17	219.69	313.05
Cash and bank balances	18	200.40	126.79
Short-term loans and advances	14	233.40	231.67
Other current assets	15	160.56	129.31
		<b>3,339.87</b>	<b>3,097.29</b>
<b>Total</b>		<b>4,494.29</b>	<b>4,218.17</b>
Significant accounting policies	1		

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

As per report of even date

For Walker Chandio & Co LLP  
Chartered Accountants

per Sanjay Banthia  
Partner

Mumbai  
27 May 2016

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

Ashish Puravankara  
Managing Director  
DIN 00504524

Hari Ramakrishnan  
Deputy Chief Financial Officer

Mumbai  
27 May 2016

Nani R Choksey  
Joint Managing Director  
DIN 00504555

D. Bindu  
Company Secretary  
Mem No 23290

## Statement of Profit and Loss for the year ended 31 March 2016

(All amounts in ₹ crore, unless otherwise stated)

	Note	31 Mar 2016	31 Mar 2015
<b>Income</b>			
<b>Revenue from operations</b>			
Revenue from projects	19	972.34	1,190.17
Other operating revenues	19	11.15	11.82
Other income	19	53.99	11.04
<b>Total</b>		<b>1,037.48</b>	<b>1,213.03</b>
<b>Expenses</b>			
Material and contract cost	20	558.25	635.93
Land cost		206.58	146.41
(Increase) in inventory of properties under development and properties held for sale	21	(233.13)	(77.42)
Employee benefits expense	22	69.51	79.32
Share in loss of LLP		-	0.02
Finance expense, net	23	193.00	188.47
Depreciation and amortization	24	10.51	11.25
Other expenses	25	138.10	151.88
<b>Total</b>		<b>942.82</b>	<b>1,135.86</b>
<b>Profit before tax</b>		<b>94.66</b>	<b>77.17</b>
<b>Tax expense</b>			
Current tax	26	20.30	22.54
Tax of earlier year	26	0.06	(27.02)
Deferred tax		(1.45)	(2.79)
<b>Profit after tax and before prior period items</b>		<b>75.75</b>	<b>84.44</b>
Prior period income (net)	27	1.74	0.89
<b>Net profit for the year</b>		<b>77.49</b>	<b>85.33</b>
<b>Earnings per share (Nominal value ₹5 per share)</b>			
Basic (₹)	28	3.27	3.60
Diluted (₹)	28	3.27	3.60
Significant accounting policies	1		

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

As per report of even date

**For Walker Chandiot & Co LLP**  
Chartered Accountants

per Sanjay Banthia  
Partner

Mumbai  
27 May 2016

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

Ashish Puravankara  
Managing Director  
DIN 00504524

Hari Ramakrishnan  
Deputy Chief Financial Officer

Mumbai  
27 May 2016

Nani R Choksey  
Joint Managing Director  
DIN 00504555

D. Bindu  
Company Secretary  
Mem No 23290

## Cash Flow Statement for the year ended 31 March 2016

(All amounts in ₹ crore, unless otherwise stated)

	31 Mar 2016	31 Mar 2015
<b>A. Cash flow from operating activities</b>		
Profit before tax and prior period items	94.66	77.17
Adjustments for:		
Depreciation and amortization	10.51	11.25
(Profit)/loss on sale of fixed assets	0.37	(0.01)
Dividend income	(36.76)	-
Profit on sale of share of associates	-	(10.09)
Liabilities no longer required written back	(14.79)	-
Advances written-off	0.21	-
Interest received on income tax refund	-	(0.39)
Share in loss of LLP	-	0.02
Finance expense, net	193.00	188.47
<b>Operating profit before working capital changes</b>	<b>247.20</b>	<b>266.42</b>
Movements in working capital :		
(Increase)/decrease in trade receivables	93.36	(71.20)
(Increase)/decrease in inventories of raw materials	3.78	(0.85)
(Increase) in loans and advances and other current assets	(59.77)	(7.75)
(Increase) in properties under development	(140.08)	(23.42)
Decrease in properties held for sale	50.23	86.89
Increase/(decrease) in current liabilities and provisions	(88.91)	58.23
<b>Cash received from operations</b>	<b>105.81</b>	<b>308.32</b>
Direct taxes paid (net)	(10.90)	(17.50)
<b>Net cash from operating activities</b>	<b>94.91</b>	<b>290.82</b>
<b>B. Cash flows from investing activities</b>		
Purchase of fixed assets, including capital advances	(4.73)	(8.43)
Proceeds from sale of fixed assets	1.16	0.47
Investments made in equity shares of subsidiaries	(2.40)	-
Investments made in equity shares of associate	-	(3.78)
Investment made in partnership firm	-	(0.02)
Loans to subsidiaries	(96.99)	(90.47)
Loans repaid by associates	-	9.27
Loans repaid by subsidiaries	26.20	47.37
Advance for allotment of shares in subsidiaries	(2.26)	(1.10)
Proceeds from sale of share of associate	-	32.21
Proceeds from sale of share of subsidiary	0.01	-
Proceeds from redemption of preference share of associate	17.64	-
Properties held for development	(29.29)	(17.23)
Deposits and advances	(29.81)	(23.34)
Net investment in bank deposits and margin monies	1.41	(11.78)
Dividend income received	36.76	-
Interest received	4.24	2.48
<b>Net cash (used in) investing activities</b>	<b>(78.05)</b>	<b>(64.35)</b>

## Cash Flow Statement *(contd.)* for the year ended 31 March 2016 (All amounts in ₹ crore, unless otherwise stated)

	31 Mar 2016	31 Mar 2015
<b>C. Cash flows from financing activities</b>		
Proceeds from term loans	1,180.47	1,047.67
Repayment of term loans	(1,007.04)	(957.43)
Repayments of unsecured loan	(2.05)	(1.69)
Proceeds from/(repayments of) cash credit and working capital loan (net)	85.03	(101.96)
Loans repaid to related parties	-	(4.20)
Loans from subsidiaries	76.74	17.42
Loan taken from related parties	-	10.00
Loans repaid to subsidiaries	(38.43)	(4.23)
Dividends paid (including taxes)	(36.75)	(53.26)
Finance charges paid	(199.85)	(189.55)
<b>Net cash generated from/(used in) financing activities</b>	<b>58.12</b>	<b>(237.23)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>74.98</b>	<b>(10.76)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>116.93</b>	<b>127.69</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>191.91</b>	<b>116.93</b>
<b>Components of cash and cash equivalents</b>		
Cash and bank balances (as per note 18 to the financial statements)	200.40	126.79
Less: Bank deposits and margin monies considered separately	8.49	9.86
	<b>191.91</b>	<b>116.93</b>

As per report of even date

For Walker Chandiok & Co LLP  
Chartered Accountants

per Sanjay Banthia  
Partner

Mumbai  
27 May 2016

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

Ashish Puravankara  
Managing Director  
DIN 00504524

Hari Ramakrishnan  
Deputy Chief Financial Officer

Mumbai  
27 May 2016

Nani R Choksey  
Joint Managing Director  
DIN 00504555

D. Bindu  
Company Secretary  
Mem No 23290

## Summary of significant accounting policies and other explanatory information

(All amounts in ₹ crore, unless otherwise stated)

### 1 Significant accounting policies

#### a. Basis of preparation

The financial statements of Puravankara Projects Limited (the 'Company') have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014 (as amended). The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

The Central Government in consultation with National Advisory Committee on Accounting Standards has amended Companies (Accounting Standards) Rules, 2006 ('principal rules'), vide notification issued by Ministry of Corporate Affairs dated 30 March 2016. The Companies (Accounting Standards) Rules, 2016 is effective on the date of its publication in the official gazette, i.e., 30 March 2016. The Company believes that the Rule 3(2) of the principal rules has not been withdrawn or replaced and accordingly, the Companies (Accounting Standards) Rule, 2016 will apply for the accounting periods commencing on or after 30 March 2016. Accordingly, the changes thereof have not given effect to while preparing these financial statements.

#### b. Use of estimates

The preparation of financial statements is in conformity with generally accepted accounting principles which require the management of the Company to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon 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 in future period. Significant estimates used by management in the preparation of these financial statements include the percentage completion for projects in progress, estimates of the economic useful lives of the fixed assets, provisions for bad and doubtful debts and accruals for employee benefits.

#### c. Revenue recognition

##### Revenue from projects

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

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

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

"Effective 01 April 2012, in accordance with the ""Guidance Note on Accounting for Real Estate Transactions (Revised 2012)"" (Guidance note) all projects commencing on or after the said date or projects where revenue is recognized for the first time on or after the above date, construction revenue on such projects have been recognized on percentage of completion method provided the following thresholds have been met:

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

Contract revenues represent the aggregate amounts of sale price for agreements entered into and are accrued based on the percentage that the actual construction costs incurred until the reporting date bears to the total estimated construction costs to completion.

## Summary of significant accounting policies and other explanatory information

(All amounts in ₹ crore, unless otherwise stated)

### 1 Significant accounting policies (contd.)

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

For projects executed through joint development arrangements prior to 01 April 2012, which represent barter transactions, whereby the Company gives up a defined percentage of constructed area in lieu of payment for its share in the land, the company accounts for such transactions on net basis and does not ascribe any value to the share of land acquired on such basis. Effective 01 April 2012, in accordance with the Guidance Note, developmental rights acquired through joint development arrangement are recorded on a gross basis on the estimated amount to be spent on development or construction of built-up area to be surrendered in lieu of the above rights.

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

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

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

#### Rental income

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

#### Interior income

Interior income is recognized on the basis of percentage of completion method.

#### Share in profits of LLP investment

The Company's share in profits from a LLP where the Company is a partner, is recognised when the same is credited to the Company's current account on the basis of such LLP's audited accounts, as per terms of the LLP agreement.

#### d. Properties under development

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

#### e. Properties held for sale

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

#### f. Properties held for development

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

#### g. Fixed assets

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

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



## Summary of significant accounting policies and other explanatory information

(All amounts in ₹ crore, unless otherwise stated)

### 1 Significant accounting policies (contd.)

#### h. Depreciation/amortization

Depreciation/amortization on fixed assets is provided on the straight-line method, based on the useful life of asset specified in Schedule II to the Companies Act, 2013. The Management estimates the useful lives of the assets as per the indicative useful life prescribed in Schedule II to the Companies Act, 2013, except shuttering materials whose life is estimated as 7 years.

#### i. Borrowing cost

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

#### j. Advertisement and promotional expense

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

#### k. Impairment of assets

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

#### l. Investments

Investments that are readily realizable and intended to be held for not more than one year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the long-term investments.

#### m. Cash and cash equivalents

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

#### n. Inventory

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

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

#### o. Foreign currency transactions

##### (a) Initial recognition

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

##### (b) Conversion

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

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

## Summary of significant accounting policies and other explanatory information

(All amounts in ₹ crore, unless otherwise stated)

### 1 Significant accounting policies (contd.)

#### p. Leases

##### Finance leases

Assets acquired on lease which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the assets, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalized. If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

##### Operating leases

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

#### q. Employee benefits

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

##### Provident fund

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

##### Gratuity

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

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

##### Vacation pay

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

The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

##### Other short-term benefits

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

#### r. Tax expense

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

## Summary of significant accounting policies and other explanatory information

(All amounts in ₹ crore, unless otherwise stated)

### 1 Significant accounting policies (contd.)

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

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

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e, the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

#### s. 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.

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

#### t. Provisions and contingent liabilities

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

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

2 Share capital	31 Mar 2016	31 Mar 2015
<b>Authorized shares</b>		
32.00 crore (31 Mar 2015 - 32.00 crore) equity shares of ₹5 each	160.00	160.00
<b>Issued, subscribed and fully paid-up shares</b>		
23.72 crore (31 Mar 2015 - 23.72 crore) equity shares of ₹5 each	118.58	118.58
	<b>118.58</b>	<b>118.58</b>

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

Equity shares	31 Mar 2016		31 Mar 2015	
	No. in crore	₹ crore	No. in crore	₹ crore
Balance at the beginning of the year	23.72	118.58	23.72	118.58
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>23.72</b>	<b>118.58</b>	<b>23.72</b>	<b>118.58</b>

### b. Terms/rights attached to equity shares

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

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

The Board has proposed an annual dividend for all shareholders of the Company amounting to ₹0.78 per equity share (31 Mar 2015 - ₹1.55).

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

Equity shares of ₹5 each fully paid-up	31 Mar 2016		31 Mar 2015	
	No. in crore	% holding in the class	No. in crore	% holding in the class
Ravi Puravankara	17.79	74.99%	17.79	74.99%

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

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

The Company has not issued any bonus shares nor there has been any buy back of shares during five years immediately preceding 31 March 2016.

### e. Shares reserved for issue under options

On 1 July 2006, the members of the Company approved the Puravankara Projects Limited 2006 Employee Stock Option Scheme ('ESOS' or 'the Plan') of the Company. The plan provides for the issuance of stock options to eligible employees (including directors of the Company) with the total options issuable under the Plan not to exceed 1,366,080 options and includes a limit for the maximum and minimum number of options that may be granted to each employee. Under the plan, these options vest over a period of four years and can be exercised for a period of one year from vesting. As on 31 March 2016, there are no options outstanding under the above plan.

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

3 Reserves and surplus		
	31 Mar 2016	31 Mar 2015
Securities premium reserve	963.80	963.80
<b>General reserve</b>		
Balance at the beginning of the year	80.28	71.74
Add: Transfer during the year	-	8.54
Balance at the end of the year	<b>80.28</b>	<b>80.28</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Balance at the beginning of the year	688.34	656.77
Less: Depreciation on fully used assets due to adoption of schedule II of Companies Act, 2013	-	0.98
Add: Net profit for the year	77.49	85.33
<b>Profit available for appropriation</b>	<b>765.83</b>	<b>741.12</b>
<b>Appropriations</b>		
Less: Dividend		
- Proposed	18.50	36.76
Less: Tax on distribution of dividend		
- Proposed	3.77	7.48
Add: Dividend tax paid by subsidiary	7.48	-
Less: Transfer to general reserve	-	8.54
Balance at the end of the year	<b>751.04</b>	<b>688.34</b>
	<b>1,795.12</b>	<b>1,732.42</b>

4 Long-term borrowings				
	Non-current		Current	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
<b>Secured</b>				
<b>Term loans</b>				
From banks	632.68	527.12	127.04	269.39
From others	283.61	59.21	1.13	15.33
Finance lease obligations	14.07	13.54	-	-
<b>Unsecured</b>				
<b>Term loans</b>				
From others	13.55	15.81	2.25	1.95
	<b>943.91</b>	<b>615.68</b>	<b>130.42</b>	<b>286.67</b>
Amount disclosed under "Other current liabilities" * (refer note 8)	-	-	(130.42)	(286.67)
	<b>943.91</b>	<b>615.68</b>	<b>-</b>	<b>-</b>

\* These are repayable within 12 months

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

4 Long-term borrowings (contd.)		Repayment details		31 Mar 2016	31 Mar 2015
SI.No	Particulars	Nature of security			
<b>Term loans from banks (Secured)</b>					
i.	Term loan facility from ICICI bank Limited - ₹120	Exclusive charge by way of equitable mortgage on all the piece & parcel of land measuring 18.13 acres owned by the Company along with its two subsidiaries situated at Ernakulam, Thikkakara, Kerala. Hypothecation of all receivables from sold units of Purva Seasons, Purva Midtown, Purva Skywood and Purva Venezia.	Repayable in 30 monthly installments starting from Sept 2017	120.00	-
ii.	Term loan facility from South Indian Bank - ₹40	This facility is secured by an exclusive first mortgage on proportionate undivided share of land & building pertaining to unsold inventory of Purva Highland Phase-I, Phase-II, Purva Swanlake, Purva Grandbay, Purva Eternity, Purva Oceana projects and receivables of all the above projects. This facility is backed by cash shortfall undertaken by Mr. Ashish Puravankara, Managing Director of the Company.	29 monthly instalments starting from May 2017	40.00	-
iii.	Term loan facility from Standard Chartered Bank - ₹294	This facility is secured by an exclusive first mortgage on proportionate undivided share of land & building pertaining to unsold inventory of Purva Highland Phase-I, Phase-II, Purva Swanlake, Purva Grandbay, Purva Eternity, Purva Oceana projects and receivables of all the above projects along with receivables of Purva Venezia and Purva Platina. This facility is backed by cash shortfall undertaken by Mr. Ashish Puravankara, Managing Director of the Company. This facility includes overdraft limit of ₹75 which is repayable as per the terms of the facility.	Repayable in 48 monthly installments starting from Oct 2015	112.80	-
iv.	Term loan facility from Karur Vysya Bank - ₹100 (syndication from Standard Chartered Bank)	This facility is secured by an exclusive first mortgage on proportionate undivided share of land & building pertaining to unsold inventory of Purva Highland Phase-I, Phase-II, Purva Swanlake, Purva Grandbay, Purva Eternity, Purva Oceana projects and receivables of all the above projects along with receivables of Purva Venezia and Purva Platina. This facility is backed by cash shortfall undertaken by Mr. Ashish Puravankara, Managing Director of the Company.	Repayable in 48 monthly installments starting from Oct 2015	95.19	-
v.	Term loan facility from Standard Chartered Bank - ₹321.50	Mortgage of property together with all buildings and structures thereon, both present and future along with scheduled receivables of Purva Windermere Phase-I, II & III and also backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company. This facility includes overdraft limit of ₹80.50 which is repayable as per the terms of the facility.	Repayable in 16 quarterly installments commencing from Mar 2015	256.98	285.94
vi.	Term loan facility from ICICI Bank Limited- ₹105	This facility is secured by an exclusive charge by way of equitable mortgage of all the piece and parcel of land and scheduled receivables of project located at Survey no. 843, Ernakulam village, Kanayannur Taluk, Ernakulam District admeasuring approx. 33,471.90 Sq.mtr.s including all the structures thereon both present and future. Exclusive charge by way of hypothecation on the scheduled receivables of Purva Palmbeach.	Repayable in 24 monthly installments commencing from Nov 2016	105.00	105.00

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

4 Long-term borrowings (contd.)		31 Mar 2016	31 Mar 2015	
Sl.No	Particulars	Nature of security	Repayment details	
vii.	Term loan facility from ICICI Bank Limited- ₹35	This facility is secured by an exclusive charge on land and building (both present & future) of the project Purva Skydale situated at Kudlu village, Sarjapura Anekal taluk, Bengaluru admeasuring approximately 4.64 acres including hypothecation of scheduled receivables, Escrow account of Purva Skydale project. This is also secured by extension of charge by way of equitable mortgage of land and building (both present and future) of the project Purva Whitehall located at Kaikondanahalli village, Varthoor hobli, Bengaluru including extension of charge by hypothecation of scheduled receivables, Escrow account of Purva Whitehall project. Also secured by exclusive charge by way of equitable mortgage of 87,000 sq.ft land situated at Maduvankari village, Chennai.	Repayable in 24 monthly installments starting from Aug 2016	0.01 35.00
viii.	Corporate loan facility from IFCL Limited - ₹100	Mortgage of land parcels situated at Sathanapukkam village, Chengalpattu taluk, Kancheepuram district and Padur village, Chengalpattu taluk, Kancheepuram district.	14 quarterly installments commencing from Aug 2016	29.10 83.10
ix.	Term loan facility from South Indian Bank - ₹40	This facility is secured by pari passu charge on proportionate undivided share of land and building pertaining to unsold inventory and receivables of Purva Highland Phase-I, Phase-II, Purva Swanlake, Purva Grandbay, Purva Eternity projects and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company.	Repayable in 21 equal monthly installments starting from Feb 2015*	- 35.43
x.	Term loan facility from Standard Chartered Bank - ₹131.58	This facility is secured by an exclusive first mortgage on proportionate undivided share of land and building pertaining to unsold inventory and receivables of Purva Highland Phase-I, Phase-II, Purva Swanlake, Purva Grandbay, Purva Eternity projects and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company. This facility includes overdraft limit of ₹10 which is repayable as per the terms of the facility.	Repayable in 30 monthly installments starting from Jun 2014*	- 73.23
xi.	Term loan facility from State Bank of Hyderabad - ₹50	This facility is secured by pari passu charge on proportionate undivided share of land and building pertaining to unsold inventory and receivables of Purva Highland Phase-I, Phase-II, Purva Swanlake, Purva Grandbay, Purva Eternity projects and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company.	Repayable in 20 monthly installments starting from Oct 2014*	- 28.67
xii.	Term loan facility from The Karur Vysya Bank - ₹50	This facility is secured by pari passu charge on proportionate undivided share of land and building pertaining to unsold inventory and receivables of Purva Highland Phase-I, Phase-II, Purva Swanlake, Purva Grandbay, Purva Eternity projects and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company.	Repayable in 18 monthly installments starting from Dec 2014*	- 30.75

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

4 Long-term borrowings (contd.)				31 Mar 2016	31 Mar 2015
Sl.No	Particulars	Nature of security	Repayment details		
xiii.	Term loan facility from State Bank of Bikaner & Jaipur - ₹33.42	This facility is secured by pari passu charge on proportionate undivided share of land and building pertaining to unsold inventory and receivables of Purva Highland Phase-I, Phase-II, Purva Swanlake, Purva Grandbay, Purva Eternity projects and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company.	Repayable in 19 monthly installments starting from Nov 2014*	-	22.15
xiv.	Term loan facility from State Bank of Mysore - ₹50 (syndication from Standard Chartered Bank)	This facility is secured by pari passu charge on proportionate undivided share of land and building pertaining to unsold inventory and receivables of Purva Highland Phase-I, Phase-II, Purva Swanlake, Purva Grandbay, Purva Eternity projects and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company.	Repayable in 21 monthly installments starting from Sep 2014*	-	26.93
xv.	Term loan facility from ICICI Bank Limited- ₹100	This facility is secured by an exclusive charge by way of equitable mortgage of 87,000 sq.ft land situated at Maduvankari village, Chennai together with all buildings and structures thereon both present and future, undivided share of land of Purva Bluemont Project Phase I (excluding the proportionate share of sold area of 498,072 sq.ft approx) together with all buildings and structures thereof both present and future and hypothecation of scheduled receivables, Escrow accounts and DSR account of Purva Bluemont Project Phase I and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company.	Repayable in 30 monthly installments commencing from Sep 2013	0.64	40.65
xvi.	Term loan facility from ICICI Bank Limited- ₹150	Mortgage of building and structure thereon both present and future of Purva Seasons project, receivables of Purva Season Project and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Mr. Ashish Puravankara, Managing Director of the Company.	Repayable in 30 monthly installments starting from Aug 2013	-	7.39
xvii.	Term loan facility from IDBI Bank Limited- ₹88	Mortgage of immovable property at Edapally, Kochi measuring about 11.15 acres and backed by the personal guarantee of Mr Ravi Puravankara, Chairman of the Company.	Repayable in 8 equal quarterly installments starting from Oct 2013	-	22.00
xviii.	Other loans (Vehicle loans)	Secured by a charge against respective vehicles.	Repayable in 36 to 60 monthly installments	-	0.27
				<b>759.72</b>	<b>796.51</b>
			The interest on above term loans from banks are linked to the respective banks base rates which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between	11.50% to 13.75%	8.35% to 15.00%



## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

4 Long-term borrowings (contd.)		31 Mar 2016	31 Mar 2015	
SI.No	Particulars	Repayment details		
Term loans from others (Secured)				
i.	Term loan facility from Piramal Enterprises Limited- ₹235.09	73% of UDS of unsold area & receivables from sold and unsold area of Purva Gainz, UDS proportionate to inventory in Purva Skydale, Purva Sunflower, Purva Whitehall, Purva Amaiti and Purva Bluemont along with receivables from sold and unsold units of the respective projects, 60% of UDS of unsold area and receivables from sold and unsold area of Purva Primus. Exclusive first charge by way of equitable mortgage on land parcel measuring 17 acres in Padur at Chennai and exclusive charge by way of equitable mortgage on UDS of unopened phase of Purva Amaiti.	14 quarterly instalments starting from Sep 2017	188.09
ii.	Term loan facility from Aditya Birla Finance Limited- ₹95	This facility is secured by an exclusive first mortgage on proportionate undivided share of land & building pertaining to unsold inventory of Purva Highland Phase-I, Phase-II, Purva Swanlake, Purva Grandbay, Purva Eternity, Purva Oceana projects and receivables of all the above projects along with receivables of Purva Venezia and Purva Platina. This facility is backed by cash shortfall undertaken by Mr. Ashish Puravankara, Managing Director of the Company.	29 monthly instalments starting from May 2017	95.00
iii.	Term loan facility from PNB Housing Finance Limited- ₹90	This facility is secured by registered mortgage of unsold units at Purva Venezia, Purva Atria Platina and Purva Oceana Projects.	Repayable in 60 equal monthly instalments starting from Feb 2014 *	-
iv.	Vehicle Loan from Kotak Mahindra Prime Limited	Secured by a charge against respective vehicle.	Repayable in 36 to 60 monthly instalments	1.87
	The interest on above term loans from others are primarily linked to the respective benchmarks which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between			284.74
				9.56% to 15.23%
				9.78% to 15.23%
Term loan from others (Unsecured)				
i.	HDFC Limited- ₹22	Mortgage of non residential property, Purva Premier owned by Mr. Ravi Puravankara, Chairman of the Company.	Repayable in 108 equated monthly instalments starting from Jul 2012	15.80
				15.80
	The interest on above term loans from others are primarily linked to the respective benchmarks which are floating in nature. As on the Balance Sheet date, the interest rate per annum is			12.80%
				13.00%

\* Loans pre-closed during the year.

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 5 Other long-term liabilities

	Current	
	31 Mar 2016	31 Mar 2015
Security deposits	4.17	2.68
	<b>4.17</b>	<b>2.68</b>

### 6 Provisions

	Non-current		Current	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
<b>Provision for employee benefits</b>				
Gratuity	8.51	8.24	0.74	0.66
Vacation pay	1.12	-	0.09	1.25
Provision for tax [net of advance tax ₹18.42 (31 Mar 2015 - nil)]	-	-	2.86	-
<b>Other provisions</b>				
Proposed dividend	-	-	18.50	36.76
Tax on proposed dividend	-	-	3.77	7.48
	<b>9.63</b>	<b>8.24</b>	<b>25.96</b>	<b>46.15</b>

### 7 Short-term borrowings

	Current	
	31 Mar 2016	31 Mar 2015
<b>Secured</b>		
Term loans from banks*	105.02	259.91
Term loans from others*	154.91	-
Cash credit and other loan from banks	148.29	63.26
	<b>408.22</b>	<b>323.17</b>
<b>Unsecured</b>		
Term loans from banks	198.90	198.90
Working capital loan from bank	32.16	32.25
Interest free loan from related parties repayable on demand (refer note 31)	27.61	27.43
Loan from related parties repayable on demand (refer note 31)	79.74	37.58
	<b>338.41</b>	<b>296.16</b>
	<b>746.63</b>	<b>619.33</b>
* Classified based on the operating cycle of the Company. The amount repayable within twelve months:		
Term loans from banks	19.82	48.52
Term loans from others	-	-

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

7 Short-term borrowings (contd.)		31 Mar 2016	31 Mar 2015
SI.No	Particulars	Repayment details	
Term loans from banks (Secured)			
	Nature of security		
i.	Term loan facility from ICICI bank Limited - ₹30	10.00	-
	Exclusive charge by way of equitable mortgage on all the piece & parcel of land measuring 18.13 acres owned by the Company along with its two subsidiary situated at Ernakulam, Thikkakara, Kerala. Hypothecation of all receivables from sold units from Purva Seasons, Purva Midtown, Purva Skywood and Purva Venezia.		
ii.	Term loan facility from ICICI Bank Limited- ₹95	95.00	95.00
	This facility is secured by an exclusive charge by way of equitable mortgage of all the piece and parcel of land and scheduled receivables of project located at Survey no. 843, Ernakulam village, Kanayannur Taluk, Ernakulam District admeasuring approx. 33,471.90 Sq.mtrs including all the structures thereon both present and future. Exclusive charge by way of hypothecation on the scheduled receivables of Purva Palmbeach.		
iii.	Term loan facility from ICICI Bank Limited- ₹95	0.02	55.00
	This facility is secured by an exclusive charge on land & building (both present & future) of the project Purva Skydale situated at Kudlu village, Sarjapura Anekal taluk, Bengaluru admeasuring approximately 4.64 acres including hypothecation of scheduled receivables, Escrow accounts and DSR account of Purva Skydale project. This is also secured by extension of charge by way of equitable mortgage of land and building (both present & future) of the project Purva Whitehall located at Kaikondanahalli village, Varthoor hobli, Bengaluru including extension of charge by hypothecation of scheduled receivables, Escrow account and DSR account of Purva Whitehall project. Also secured by exclusive charge by way of equitable mortgage of 87,000 sq.ft land situated at Maduvankari village, Chennai.		
iv.	Credit facility from Standard Chartered Bank- ₹60	-	41.80
	This facility is secured by exclusive charge over land and buildings and receivables of Purva Sunflower Project. This facility includes overdraft limit of ₹10 which is repayable as per the terms of the facility.		

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

7 Short-term borrowings (contd.)					
SI.No	Particulars	Nature of security	Repayment details	31 Mar 2016	31 Mar 2015
v.	Term loan facility from ICICI Bank Limited- ₹50	Mortgage of building and structure thereon both present and future, receivables of Purva Season Project and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Mr. Ashish Puravankara, Managing Director of the Company.	Repayable in 30 monthly instalments starting from Aug 2013	-	50.00
vi.	Term loan facility from IndusInd Bank Limited - ₹55	This facility is secured by an exclusive charge by way of equitable mortgage of unsold units of Purva Skywood project. This facility includes overdraft limit of ₹25.15 which is repayable as per the terms of the facility.	Repayable in 15 monthly instalments commencing from Sep 2014	-	18.11
				<b>105.02</b>	<b>259.91</b>
		The interest on above term loans from banks are linked to the respective banks base rates which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between		12.15% to 12.60%	12.80% to 15.00%
<b>Term loans from others (Secured)</b>					
i.	Term loan facility from Piramal Enterprises Limited- ₹154.91	73% of UDS of unsold area & receivables from sold and unsold area of Purva Gainz, UDS proportionate to inventory in Purva Skydale, Purva Sunflower, Purva Whitehall, Purva Amaiti and Purva Bluemont along with receivables from sold and unsold units of the respective projects, 60% of UDS of unsold area and receivables from sold and unsold area of Purva Primus. Exclusive first charge by way of equitable mortgage on land parcel measuring 17 acres in Padur at Chennai and exclusive charge by way of equitable mortgage on UDS of unopened phase of Purva Amaiti.	14 quarterly instalments starting from Sep 2017	154.91	-
				<b>154.91</b>	<b>-</b>
		The interest on above term loan from the financial institution is fixed in nature. As on the Balance Sheet date, the interest rate per annum is		12.00%	-

\* Loans pre-closed during the year.

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

7 Short-term borrowings (contd.)		31 Mar 2016	31 Mar 2015
SI.No	Particulars	Nature of security	
<b>Cash credit and other loan from banks (Secured)</b>			
i.	Cash credit facility from Andhra Bank- ₹108	98.52	14.93
	Secured against 60% share of Purva Mall situated at no. 53,54, 54/1,2,3, Church street, Bengaluru, residential plots/apartments of extent 98,514 sq.fts situated at Whitefield Bouganvilla, Channasandra village, Bidarahalli Hobli, Bengaluru, land of extent 20 acres and 7.5 guntas situated at Kachanayakanahalli village, Jigani Hobli, Anekal Taluk, Bengaluru, land parcel measuring 2A & 16G situated at Sy no 2, Thalagattapura, Mallasandra Village, Bengaluru and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman and Mr. Ashish Puravankara, Managing Director of the Company.		
ii.	Overdraft facility from Dhanlaxmi Bank- ₹50	49.77	48.33
	Mortgage of land parcel in 33.56 acres owned by the company situated at Uganavadi village, Bengaluru and backed by the personal guarantee of Mr. Ravi Puravankara, Chairman of the Company.		
		<b>148.29</b>	<b>63.26</b>
	The interest on above term loans from others are primarily linked to the respective benchmarks which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between	11.75% to 13.00%	13.50% to 14.50%
<b>From banks (Unsecured)</b>			
i.	Working capital facility from Deutsche Bank- ₹65	32.16	32.25
	Secured by pledge of personal investments of Mr. Ravi Puravankara, Chairman of the Company.		
ii.	Short-term loan from Barclays PLC- ₹169	168.90	168.90
	Secured by pledge of personal investments of Mr. Ravi Puravankara, Chairman of the Company.		
iii.	Term loan facility from Citi Bank- ₹30	30.00	30.00
	Secured by pledge of personal investments of Mr. Ravi Puravankara, Chairman of the Company.		
		<b>231.06</b>	<b>231.15</b>
	The interest on above term loans from others are primarily linked to the respective benchmarks which are floating in nature. As on the Balance Sheet date, the interest rates per annum ranges between	9.20% to 9.65%	9.75% to 9.95%

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

8 Trade payables		
	31 Mar 2016	31 Mar 2015
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Trade payables	194.55	186.89
Due to subsidiaries	1.89	13.68
Due to related parties	1.54	1.41
	<b>197.98</b>	<b>201.98</b>
<b>Other current liabilities</b>		
Current maturities of long-term borrowings (refer note 4)	130.42	286.67
Advances received from customers	86.89	142.45
Interest accrued but not due on borrowings	1.84	4.09
Statutory dues payable	2.54	3.37
TDS payable	4.28	4.44
Dues to employees	1.54	2.71
Bonus payable (refer note 30)	1.30	1.48
Other payables *	410.28	413.30
Lease equalisation reserve	7.27	6.04
Unpaid dividend	0.11	0.10
	<b>646.47</b>	<b>864.65</b>

\* Includes obligations payable to land owners under the joint development arrangements.

9 Tangible assets											
	Land *	Buildings**	Plant and machinery	Office equipments	Computer equipment	Furniture and fixtures	Vehicles	Shuttering material	Leasehold improvements	Total	
<b>Cost</b>											
At 01 April 2014	7.17	17.54	27.91	4.03	7.30	4.29	11.53	21.61	13.61	114.99	
Additions	0.26	15.38	0.35	0.97	1.43	0.38	2.37	0.11	0.94	22.19	
Disposals	-	-	(0.23)	(0.10)	(0.19)	(0.02)	(1.56)	-	-	(2.10)	
<b>At 31 Mar 2015</b>	<b>7.43</b>	<b>32.92</b>	<b>28.03</b>	<b>4.90</b>	<b>8.54</b>	<b>4.65</b>	<b>12.34</b>	<b>21.72</b>	<b>14.55</b>	<b>135.08</b>	
Additions	-	-	0.05	0.98	0.44	0.61	1.04	-	1.70	4.82	
Disposals	-	-	(2.83)	(0.12)	(0.61)	(0.22)	(1.10)	-	(0.02)	(4.90)	
<b>At 31 Mar 2016</b>	<b>7.43</b>	<b>32.92</b>	<b>25.25</b>	<b>5.76</b>	<b>8.37</b>	<b>5.04</b>	<b>12.28</b>	<b>21.72</b>	<b>16.23</b>	<b>135.00</b>	
<b>Depreciation</b>											
At 01 April 2014	-	0.96	11.59	0.81	3.01	1.18	4.63	18.99	1.66	42.83	
Charged to statement of profit and loss	-	0.92	2.48	0.86	1.74	0.54	1.82	0.35	1.41	10.12	
Prior period depreciation	-	1.19	-	-	-	-	-	-	-	1.19	
Adjusted to the opening reserves and surplus	-	-	-	0.65	0.15	0.06	0.12	-	-	0.98	
Disposals	-	-	(0.21)	-	(0.19)	-	(1.24)	-	-	(1.64)	
<b>At 31 Mar 2015</b>	<b>-</b>	<b>3.07</b>	<b>13.86</b>	<b>2.32</b>	<b>4.71</b>	<b>1.78</b>	<b>5.33</b>	<b>19.34</b>	<b>3.07</b>	<b>53.48</b>	
Charge for the year	-	0.82	2.39	0.99	1.43	0.50	1.41	0.26	1.64	9.44	
Disposals	-	-	(1.63)	(0.07)	(0.57)	(0.06)	(1.04)	-	-	(3.37)	
<b>At 31 Mar 2016</b>	<b>-</b>	<b>3.89</b>	<b>14.62</b>	<b>3.24</b>	<b>5.57</b>	<b>2.22</b>	<b>5.70</b>	<b>19.60</b>	<b>4.71</b>	<b>59.55</b>	
<b>Net block</b>											
<b>At 31 Mar 2015</b>	<b>7.43</b>	<b>29.85</b>	<b>14.17</b>	<b>2.58</b>	<b>3.83</b>	<b>2.87</b>	<b>7.01</b>	<b>2.38</b>	<b>11.48</b>	<b>81.60</b>	
<b>At 31 Mar 2016</b>	<b>7.43</b>	<b>29.03</b>	<b>10.63</b>	<b>2.52</b>	<b>2.80</b>	<b>2.82</b>	<b>6.58</b>	<b>2.12</b>	<b>11.52</b>	<b>75.45</b>	

During the year ended 31 March 2015, the Company had reassessed the useful life of the fixed assets internally which coincide with the indicative useful life given in Schedule II of the Companies Act 2013. The aforesaid change did not have a material impact on statement of profit and loss for the year ended 31 March 2015. However, in accordance with the transitional provision, unamortized depreciation amounting to ₹1.05, towards tangible assets that should have been fully depreciated based on the revised useful life given in Schedule II of the Companies Act 2013, had been adjusted to the opening reserves and surplus.

\* Represents the undivided share of land in a jointly developed commercial property and owned commercial property.

\*\* Assets acquired under finance lease (refer note 29 B)

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 9 Tangible assets (contd.)

Buildings include asset taken on finance lease. Finance lease liabilities are secured by the related asset held under finance lease.

Particulars	31 Mar 2016	31 Mar 2015
Gross block	11.32	11.32
Accumulated depreciation	1.55	1.29
<b>Net block</b>	<b>9.77</b>	<b>10.03</b>

### 10 Intangible assets

	Computer software	Total
<b>Cost</b>		
At 01 April 2014	7.35	7.35
Additions	0.83	0.83
Disposals	-	-
<b>At 31 Mar 2015</b>	<b>8.18</b>	<b>8.18</b>
Additions	1.45	1.45
Disposals	-	-
<b>At 31 Mar 2016</b>	<b>9.63</b>	<b>9.63</b>
<b>Amortization</b>		
At 01 April 2014	2.95	2.95
Charge for the year	1.13	1.13
Disposals	-	-
<b>At 31 Mar 2015</b>	<b>4.08</b>	<b>4.08</b>
Charge for the year	1.07	1.07
Disposals	-	-
<b>At 31 Mar 2016</b>	<b>5.15</b>	<b>5.15</b>
<b>Net block</b>		
<b>At 31 Mar 2015</b>	<b>4.10</b>	<b>4.10</b>
<b>At 31 Mar 2016</b>	<b>4.48</b>	<b>4.48</b>

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

	31 Mar 2016	31 Mar 2015
<b>11 Investments</b>		
<b>Non-current investments – valued at cost unless stated otherwise</b>		
<b>Trade investments (unquoted)</b>		
<b>Equity instruments</b>		
<b>Investment in subsidiaries (fully paid up)</b>		
Prudential Housing and Infrastructure Development Limited	0.05	0.05
0.005 crore equity shares (31 Mar 2015 - 0.005 crore) of ₹10 each		
Centurions Housing and Constructions Private Limited	0.003	0.003
0.001 crore equity shares (31 Mar 2015 - 0.001 crore) of ₹10 each		
Melmont Construction Private Limited	0.01	0.01
0.001 crore equity shares (31 Mar 2015 - 0.001 crore) of ₹10 each		
Purva Corporation	0.05	0.05
0.001 crore equity shares (31 Mar 2015 - 0.001 crore) of USD 1 each		
Puravankara UK Limited	0.05	0.02
0.0005 crore equity shares (31 Mar 2015 - 0.0002 crore) of GBP 1 each		
Purva Marine Properties Private Limited	0.02	0.02
0.002 crore equity shares (31 Mar 2015 - 0.002 crore) of ₹10 each		
Purva Realities Private Limited	0.01	0.01
0.001 crore equity shares (31 Mar 2015 - 0.001 crore) of ₹10 each		
Welworth Lanka Holding Private Limited	11.24	8.91
2.45 crore equity shares (31 Mar 2015 - 2.163 crore) of LKR 10 each		
Nile Developers Private Limited	0.34	0.34
0.01 crore equity shares (31 Mar 2015 - 0.01 crore) of ₹10 each		
Vaigai Developers Private Limited	0.10	0.10
0.01 crore equity shares (31 Mar 2015 - 0.01 crore) of ₹10 each		
Purva Good Earth Properties Private Limited *	-	0.01
nil (31 Mar 2015 - 0.001 crore) of ₹10 each		
Purva Star Properties Private Limited	0.01	0.01
0.001 crore equity shares (31 Mar 2015 - 0.001 crore) of ₹10 each		
Purva Sapphire Land Private Limited	0.01	0.01
0.001 crore equity shares (31 Mar 2015 - 0.001 crore) of ₹10 each		
Purva Ruby Properties Private Limited	0.01	0.01
0.001 crore equity shares (31 Mar 2015 - 0.001 crore) of ₹10 each		
Grand Hills Developments Private Limited	0.01	0.01
0.001 crore equity shares (31 Mar 2015 - 0.001 crore) of ₹10 each		
Puravankara Hotels Limited	0.05	0.05
0.005 crore equity shares (31 Mar 2015 - 0.005 crore) of ₹10 each		
Starworth Infrastructure and Construction Limited	0.05	0.05
0.005 crore equity shares (31 Mar 2015 - 0.005 crore) of ₹10 each		
Provident Housing Limited	0.05	0.05
0.005 crore equity shares (31 Mar 2015 - 0.005 crore) of ₹10 each		
Purva Land Limited	0.05	0.05
0.005 crore equity shares (31 Mar 2015 - 0.005 crore) of ₹10 each		
Varishtha Property Developers Private Limited	0.01	-
0.001 crore equity shares (31 Mar 2015 - nil) of ₹10 each		



## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 11 Investments (contd.)

	31 Mar 2016	31 Mar 2015
Vagishwari Land Developers Private Limited	0.01	-
0.001 crore equity shares (31 Mar 2015 - nil) of ₹10 each		
Jaganmata Property Developers Private Limited	0.01	-
0.001 crore equity shares (31 Mar 2015 - nil) of ₹10 each		
Jyothishmati Business Centers Private Limited	0.01	-
0.001 crore equity shares (31 Mar 2015 - nil) of ₹10 each		
<b>Investment in associates (fully paid up)</b>		
Propmart Technologies Limited	2.34	2.34
0.234 crore equity shares (31 Mar 2015 - 0.234 crore) of ₹10 each		
Keppel Puravankara Development Private Limited	4.41	4.41
0.441 crore equity shares (31 Mar 2015 - 0.441 crore) of ₹10 each		
Sobha Puravankara Aviation Private Limited	4.78	4.78
0.478 crore equity shares (31 Mar 2015 - 0.478 crore) of ₹10 each		
<b>Preference shares</b>		
<b>Investment in associates (fully paid up)</b>		
Keppel Puravankara Development Private Limited **	-	17.64
13.25% cumulative, redeemable, convertible preference shares, nil (31 Mar 2015 - 1.764 crore) of ₹10 each at par		
	<b>23.68</b>	<b>38.93</b>

\* During the year ended 31 March 2016, the Company sold investment for an aggregate consideration of ₹0.01 to Provident Housing Limited, a subsidiary of the Company.

\*\* During the year, the Company redeemed Preference shares of Keppel Puravankara Development Private Limited for an aggregate consideration of ₹17.64.

The details of all partners, capital and profit sharing ratio in partnership firms where company is a partner are as under :

Name of the firm/partners	31 Mar 2016		31 Mar 2015	
	Capital	Profit sharing ratio	Capital	Profit sharing ratio
<b>Pune Projects LLP</b>				
Purvankara Projects Limited	0.016	32.00%	0.016	32.00%
Oxford Shelters Private Limited	0.016	31.74%	0.016	31.74%
Mr. Ashok G Mohanani	0.007	13.63%	0.007	13.63%
Mr. Vivek Mohanani	0.007	13.63%	0.007	13.63%
Hritik Technologies and Realty Private Limited	0.004	9.00%	0.004	9.00%

### 12 Properties held for development

	Non-current	
	31 Mar 2016	31 Mar 2015
At the beginning of the year	568.46	556.84
Add: Additions during the year	29.51	16.85
Less: Transferred to properties under development	101.01	5.23
	<b>496.96</b>	<b>568.46</b>

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 13 Deferred tax asset (net)

	Current	
	31 Mar 2016	31 Mar 2015
Deferred tax asset arising on account of		
Expenses allowable on payment basis		
Gratuity	3.13	3.01
Vacation pay	0.41	0.42
Bonus	0.44	0.50
Lease rent	2.46	2.04
Finance lease obligations	1.52	1.21
Less: Deferred tax liability arising on account of depreciation	(2.95)	(3.62)
	<b>5.01</b>	<b>3.56</b>

### 14 Loans and advances

	Non-current		Current	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
<b>Security deposits</b>				
Unsecured, considered good	141.03	112.54	-	-
	<b>141.03</b>	<b>112.54</b>	<b>-</b>	<b>-</b>
<b>Loans and advances to related parties</b>				
(Unsecured, considered good)				
Loans to subsidiaries *	252.06	213.33	67.61	30.37
	<b>252.06</b>	<b>213.33</b>	<b>67.61</b>	<b>30.37</b>
<b>Other loans and advances</b>				
(Unsecured, considered good)				
Advances to suppliers *	65.39	-	98.48	134.40
Advances for land contracts *	65.11	64.22	-	-
Advance income tax [net of provision for taxation ₹134.60 (31 Mar 2015 - ₹134.60)]	7.63	6.88	-	-
Prepaid expenses *	0.70	0.14	10.95	12.41
MAT credit entitlement	0.82	9.72	8.22	7.59
Taxes and duties recoverable	2.01	1.62	17.95	18.58
Capital advance	0.01	0.70	-	-
Other advances	3.26	3.32	30.19	28.32
	<b>144.93</b>	<b>86.60</b>	<b>165.79</b>	<b>201.30</b>
<b>Total loans and advances</b>	<b>538.02</b>	<b>412.47</b>	<b>233.40</b>	<b>231.67</b>

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

### 15 Other assets

Non-current bank balances (refer note 18)	10.82	10.86	-	-
Unbilled revenue	-	-	157.72	125.04
Interest accrued but not due on fixed deposits	-	0.05	0.06	0.07
Dues from subsidiary	-	-	0.25	1.67
Other receivables	-	-	2.53	2.53
	<b>10.82</b>	<b>10.91</b>	<b>160.56</b>	<b>129.31</b>

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 16 Inventories

	Current	
	31 Mar 2016	31 Mar 2015
<b>Raw materials</b>	17.82	21.60
	<b>17.82</b>	<b>21.60</b>
<b>Properties under development</b>		
Land cost	869.37	780.77
Material and construction cost	1,194.45	999.69
	<b>2,063.82</b>	<b>1,780.46</b>
<b>Properties held for sale</b>		
At the beginning of the year	494.41	436.01
Add : Additions during the year	32.10	180.61
Less: Sales during the year	82.33	117.89
Less: Transferred to tangible assets	-	4.32
	<b>444.18</b>	<b>494.41</b>
	<b>2,525.82</b>	<b>2,296.47</b>

### 17 Trade receivables

	Non-current		Current	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
(Unsecured, considered good)				
Outstanding for a period exceeding six months	-	-	68.04	102.20
Other receivables	-	-	151.65	210.85
	-	-	<b>219.69</b>	<b>313.05</b>

### 18 Cash and bank balances

<b>Cash and cash equivalents</b>				
<b>Cash on hand</b>			0.13	0.30
<b>Balances with banks:</b>				
On current accounts			187.32	116.63
Deposits with original maturity of less than three months			4.46	-
			<b>191.91</b>	<b>116.93</b>
<b>Other bank balances</b>				
Deposits with maturity for more than 12 months *	10.82	10.74	-	-
Deposits with maturity for less than 12 months *	-	-	3.27	5.19
Margin money deposit *	-	0.12	5.11	4.57
Unpaid dividend account *	-	-	0.11	0.10
	<b>10.82</b>	<b>10.86</b>	<b>8.49</b>	<b>9.86</b>
Amount disclosed under non-current assets (refer note 15)	(10.82)	(10.86)	-	-
	-	-	<b>200.40</b>	<b>126.79</b>

\* Represents amounts restricted for use

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

19 Revenue from operations		
	31 Mar 2016	31 Mar 2015
<b>Revenue from projects</b>		
Sale of properties	964.00	1,185.52
Interior	8.34	4.65
	<b>972.34</b>	<b>1,190.17</b>

- a) During the year ended 31 March 2016, the Company has sold a land parcel (included within property under development) located in Bengaluru for a cash consideration of ₹140.00.
- b) On 28 April 2014, the Company entered into a sale deed to sell a portion of its property under development for cash consideration of ₹5.75. Additionally, on 02 May 2014, the Company has entered into an agreement to sell additional undivided share (UDS) of its property under development aggregating to 25 percent of the said property for a total cash consideration of ₹320.81. Of the total consideration, ₹155.81 has been received on execution of the agreement towards the portion of the UDS. The balance consideration amounting ₹164.99 and ₹0.01 towards remaining 25 percent of the property under development is payable subject to receipt of plan sanction and at the time of registration of the aforesaid transaction, respectively. Consequently, during the year ended 31 March 2015, the Company has recognized revenue from sale of land (to the extent of 25 percent of its property under development) amounting to ₹161.56. The remaining 25 percent of the property under development shall be recognized as and when the contingencies are resolved.

<b>Other operating revenues</b>		
Rental income (refer note 29)	3.73	2.81
Scrap sales	0.41	0.53
Others	7.01	8.48
	<b>11.15</b>	<b>11.82</b>
<b>Other income</b>		
Others*	39.20	11.04
Liabilities no longer required written back **	14.79	-
	<b>53.99</b>	<b>11.04</b>

\* Includes interim dividend received from subsidiaries ₹36.76 for the year ended 31 March 2016 (31 Mar 2015- nil).

\* Includes gain on sale of investment of Keppel Magus Development Private Limited (an associate) nil for the year ended 31 March 2016 (31 Mar 2015 - ₹10.09).

\*\* During the quarter and year ended 31 March 2016, the Company has written back liabilities primarily on account of retention balances no longer payable to vendors.

20 Material and contract cost		
Inventory of building material at the beginning of the year	21.60	20.75
Add: Incurred during the year		
Material and contract cost	554.47	636.78
	<b>576.07</b>	<b>657.53</b>
Less: Inventory of building material at the end of the year	17.82	21.60
	<b>558.25</b>	<b>635.93</b>

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

<b>21 (Increase) in inventory of properties under development and properties held for sale</b>		
	<b>31 Mar 2016</b>	<b>31 Mar 2015</b>
<b>Inventory at the beginning of the year</b>		
Properties under development	1,780.46	1,761.44
Properties held for sale	494.41	436.01
<b>Inventory at the end of the year</b>		
Properties under development	2,063.82	1,780.46
Properties held for sale	444.18	494.41
	<b>(233.13)</b>	<b>(77.42)</b>

<b>22 Employee benefits expense</b>		
Salaries, wages and bonus	63.63	72.13
Contribution to provident fund and other funds (refer note 32 B)	2.70	2.53
Gratuity expenses (refer note 32 A)	1.67	2.38
Vacation pay (refer note 32 A)	0.37	0.64
Staff welfare	1.14	1.64
	<b>69.51</b>	<b>79.32</b>

<b>23 Finance expense, net*</b>		
<b>Finance expense:</b>		
Interest		
- Term loans	165.81	156.09
- Cash credits	14.05	16.21
Loan and other processing charges	15.34	14.69
Bank charges	0.55	0.54
Others	6.61	4.40
	<b>202.36</b>	<b>191.93</b>
<b>Finance income:</b>		
Bank deposits	1.99	0.78
Interest on loan to associates	-	0.19
Interest on loan to subsidiaries	5.16	0.71
Interest received from customers	2.21	1.78
	<b>9.36</b>	<b>3.46</b>
<b>Finance expense, net</b>	<b>193.00</b>	<b>188.47</b>

\* Includes finance expense capitalized amounting to ₹182.91 for the year ended 31 March 2016 (31 Mar 2015 - ₹176.99).

<b>24 Depreciation and amortization</b>		
Depreciation of tangible assets (refer note 9)	9.44	10.12
Amortization of intangible assets (refer note 10)	1.07	1.13
	<b>10.51</b>	<b>11.25</b>

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

25 Other expenses		
	31 Mar 2016	31 Mar 2015
Travel and conveyance	5.01	6.71
Repairs and maintenance		
- buildings	0.19	0.89
- plant & machinery	0.39	0.12
- others	13.89	14.51
Legal and professional	29.87	34.67
Rent (refer note 29)	10.72	12.10
Rates and taxes	32.54	20.07
Security	9.20	10.03
Communication costs	2.07	2.48
Printing and stationery	2.04	2.56
Advertising and sales promotion	17.97	32.44
Brokerage and referral	6.52	9.43
Foreign exchange loss	0.15	0.05
Contribution towards CSR (refer note 34)	2.21	1.82
Miscellaneous expenses	5.33	4.00
	<b>138.10</b>	<b>151.88</b>
<b>Payment to auditor</b> <b>(on accrual basis, excluding service tax) [included in legal and professional charges]</b>		
<b>As auditor:</b>		
Audit fee	0.43	0.40
<b>In other capacity:</b>		
Reimbursement of expenses	0.01	0.01
	<b>0.44</b>	<b>0.41</b>
<b>26 Current tax</b>		
Domestic tax	20.30	22.54
Tax of earlier year	0.06	(27.02)
	<b>20.36</b>	<b>(4.48)</b>

During the previous years, the Company received an order from the Income Tax Appellate Tribunal (ITAT) directing the Assessing Officer to carry-out the denovo assessment of the income for fiscal 2004 to 2009 in relation to the claim under Section 80-IB for a project of the Company. Based on the aforesaid denovo assessment carried out, a portion of the claim under Section 80-IB was disallowed for the above referred project. The appeal against the said ITAT order is pending before the Hon'ble High Court of Bombay.

During the previous year, the Company received favourable orders for fiscal 2010 and 2011 from CIT (Appeals) allowing the claim under Section 80-IB in relation to certain eligible projects. In addition, a portion of the claim under Section 80-IB for a project was disallowed based on the aforesaid ITAT order.

Consequently, the Company had recorded a net credit amounting ₹27.02 in the financial statements in respect of the eligible claim under Section 80-IB.

Further, during the previous year, the Company has received an order for fiscal 2005 and 2006 towards penalty amounting to ₹2.54 consequent to the denovo assessment order for those years. The appeal against the demand for penalty which is pending with CIT (Appeals).The management believes that aforesaid open litigations will not have any material affect on the financial statements.

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

27 Prior period income (net)		
	31 Mar 2016	31 Mar 2015
Subvention	(0.27)	-
Depreciation	-	(1.19)
Finance expense - others	-	(4.66)
Rent	-	2.95
Sale of properties	-	1.85
Other income	2.93	2.86
Legal and professional charges	-	(2.47)
Advance for land contracts written back	-	2.14
	<b>2.66</b>	<b>1.48</b>
Less: Income tax	0.92	1.49
Less: Deferred tax	-	(0.90)
	<b>1.74</b>	<b>0.89</b>

28 Earnings per share (EPS)		
Weighted average number of shares outstanding during the year (crore)	23.72	23.72
Add: Dilutive effect of stock options (crore)	-	-
Weighted average number of shares used to compute diluted EPS (crore)	<b>23.72</b>	<b>23.72</b>
Net profit after tax attributable to equity shareholders	77.49	85.33
Earnings per share (₹):		
Basic	3.27	3.60
Diluted	3.27	3.60
Nominal value - Rupees per equity share	5.00	5.00

## 29 Leases

### A. Operating lease

The lease expense for cancellable and non-cancellable operating leases was ₹10.72 for the year ended 31 March 2016 (31 Mar 2015 - ₹12.10). Lease commitments under the non-cancellable operating leases as at the Balance Sheet date were as follows:

Particulars	31 Mar 2016	31 Mar 2015
a) Within one year	7.67	9.80
b) One to five years	79.11	80.34
c) More than five years	26.35	31.64
<b>Total</b>	<b>113.13</b>	<b>121.78</b>

### Sublease

The Company has sub let three of the properties under a non cancellable operating lease agreement. Lease income was ₹3.73 for the year ended 31 March 2016 (31 Mar 2015 - ₹2.81).

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 29 Leases (contd.)

#### B. Finance lease

The Company has entered into a finance lease arrangement for building with a lease term of 33 years. Lease commitments under the finance lease as at the Balance Sheet date were as follows:

Particulars	31 Mar 2016	31 Mar 2015
Minimum lease payments		
Within one year	1.39	1.39
One to five years	6.35	5.93
More than five years	78.65	80.47
Amount representing interest	(72.32)	(74.25)
<b>Present value of minimum lease payments</b>	<b>14.07</b>	<b>13.54</b>

### 30 Other commitments and contingencies

	31 Mar 2016	31 Mar 2015
a) Demand from Service Tax Department	5.70	5.43
b) Demand from Commercial Tax Department	2.26	2.26
c) Penalty under section 271(1)(c) of Income Tax Act, 1961	2.54	2.54
d) Bonus payable to workers and employees	0.33	-
e) Guarantee given by the Company on behalf of subsidiary	403.35	314.63

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

On 01 January 2016, the Payment of Bonus (Amendment) Act, 2015 the ('Act') was notified in the official gazette increasing the minimum wages for payment of statutory bonus with retrospective effect from 01 April 2014. The Hon'ble High Court of Karnataka vide order dated 02 February 2016 stayed the retrospective application of the Act. The Company has provided for the payment of bonus as per the Act for all the locations except Karnataka for which provision has been made for the period on or after 01 April 2015.



## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 31 Related party transactions

#### (i) Subsidiaries

Prudential Housing and Infrastructure Development Limited  
Centurions Housing and Constructions Private Limited  
Melmont Construction Private Limited  
Purva Corporation  
Purva Marine Properties Private Limited  
Purva Realities Private Limited  
Welworth Lanka Holding Private Limited  
Welworth Lanka Private Limited  
Nile Developers Private Limited  
Vaigai Developers Private Limited  
Grand Hills Developments Private Limited  
Purva Star Properties Private Limited  
Purva Sapphire Land Private Limited  
Purva Ruby Properties Private Limited  
Puravankara Hotels Limited  
Starworth Infrastructure and Construction Limited  
Provident Housing Limited  
Jaganmata Property Developers Private Limited  
Jyothishmati Business Centers Private Limited  
Vagishwari Land Developers Private Limited  
Varishtha Property Developers Private Limited  
Purva Land Limited  
Purva Good Earth Properties Private Limited  
Puravankara (UK) Limited  
Pune Projects LLP

#### (ii) Parties where control exists

Mr. Ravi Puravankara

#### (iii) Key management personnel

Mr. Ravi Puravankara  
Mr. Ashish Puravankara

#### (iv) Relatives of key management personnel

Ms. Geeta S Vhatkar

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

Purva Developments  
Puravankara Investments  
Handiman Services Limited  
Dealwel – Proprietorship

#### (vi) Associate companies

Keppel Puravankara Development Private Limited  
Keppel Magus Development Private Limited (till 27 June 2014)  
Propmart Technologies Limited  
Sobha Puravankara Aviation Private Limited

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 31 Related party transactions (contd.)

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

Nature of transaction	Subsidiaries		Associates		Key management personnel		Relatives of key management personnel		Other related parties	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
<b>Loans given to</b>										
Purva Realities Private Limited	28.79	28.79	-	-	-	-	-	-	-	-
Melmont Construction Private Limited	132.47	131.12	-	-	-	-	-	-	-	-
Prudential Housing and Infrastructure Development Limited	1.85	1.85	-	-	-	-	-	-	-	-
Nile Developers Private Limited	14.10	13.53	-	-	-	-	-	-	-	-
Vaigai Developers Private Limited	11.44	10.97	-	-	-	-	-	-	-	-
Purva Good Earth Properties Private Limited	0.01	0.01	-	-	-	-	-	-	-	-
Purva Star Properties Private Limited	-	13.00	-	-	-	-	-	-	-	-
Purva Sapphire Land Private Limited	0.51	0.01	-	-	-	-	-	-	-	-
Purva Ruby Properties Private Limited	14.63	13.95	-	-	-	-	-	-	-	-
Grand Hills Developments Private Limited	0.01	0.01	-	-	-	-	-	-	-	-
Puravankara Hotels Limited	0.01	0.01	-	-	-	-	-	-	-	-
Starworth Infrastructure Et Construction Limited	-	0.02	-	-	-	-	-	-	-	-
Provident Housing Limited	48.19	0.01	-	-	-	-	-	-	-	-
Purva Land Limited	0.04	0.04	-	-	-	-	-	-	-	-
Purva Marine Properties Private Limited	0.01	0.01	-	-	-	-	-	-	-	-
Pune Projects LLP	67.61	30.37	-	-	-	-	-	-	-	-
<b>Loans taken from</b>										
Centurions Housing and Constructions Private Limited	11.52	37.58	-	-	-	-	-	-	-	-
Purva Star Properties Private Limited	68.22	-	-	-	-	-	-	-	-	-
Starworth Infrastructure Et Construction Limited	0.18	-	-	-	-	-	-	-	-	-
Puravankara Investments	-	-	-	-	-	-	-	-	1.88	1.88
Ravi Puravankara	-	-	-	-	25.55	25.55	-	-	-	-
<b>Advance for allotment of shares (other advance)</b>										
Welworth Lanka Holding Private Limited	1.27	1.34	-	-	-	-	-	-	-	-
Puravankara (UK) Limited	-	0.03	-	-	-	-	-	-	-	-
Purva Corporation	0.08	0.08	-	-	-	-	-	-	-	-
<b>Advances for land contracts paid to</b>										
Geeta S Vhatkar	-	-	-	-	-	-	17.93	17.93	-	-
<b>Advance received from customer</b>										
Provident Housing Limited	28.00	28.00	-	-	-	-	-	-	-	-
<b>Advances to suppliers</b>										
Starworth Infrastructure and Construction Limited	10.74	15.65	-	-	-	-	-	-	-	-
Sobha Puravankara Aviation Private Limited	-	-	67.66	49.11	-	-	-	-	-	-
<b>Investment in partnership firm</b>										
Pune Projects LLP	-	0.02	-	-	-	-	-	-	-	-
<b>Security deposits and advance paid to</b>										
Dealwel	-	-	-	-	-	-	-	-	0.15	0.15
Puravankara Investments	-	-	-	-	-	-	-	-	0.45	0.45
<b>Dues from</b>										
Provident Housing Limited	0.25	1.67	-	-	-	-	-	-	-	-
<b>Dues to</b>										
Starworth Infrastructure and Construction Limited	1.89	13.68	-	-	-	-	-	-	-	-
Handiman Services Limited	-	-	-	-	-	-	-	-	1.36	1.23
Purva Development	-	-	-	-	-	-	-	-	0.18	0.18
<b>Guarantees given by</b>										
Ravi Puravankara	-	-	-	-	865.50	1,518.50	-	-	-	-
Ashish Puravankara	-	-	-	-	637.00	318.00	-	-	-	-
<b>Guarantees given to</b>										
Provident Housing Limited	300.00	300.00	-	-	-	-	-	-	-	-
Purva Star Properties Private Limited	80.00	-	-	-	-	-	-	-	-	-
Starworth Infrastructure and Construction Limited	23.35	14.63	-	-	-	-	-	-	-	-

# Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

## 31 Related party transactions (contd.)

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

Nature of transaction	Subsidiaries		Associates		Key management personnel		Relatives of key management personnel		Other related parties	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
<b>Interest income on loans</b>										
Keppel Magus Development Private Limited	-	-	-	0.19	-	-	-	-	-	-
Pune Projects LLP	5.18	0.71	-	-	-	-	-	-	-	-
<b>Interest expense on loans</b>										
Centurions Housing and Constructions Private Limited	2.43	2.55	-	-	-	-	-	-	-	-
Purva Star Properties Private Limited	1.60	0.01	-	-	-	-	-	-	-	-
<b>Loans given to</b>										
Melmont Construction Private Limited	1.36	0.96	-	-	-	-	-	-	-	-
Prudential Housing and Infrastructure Development Limited	-	0.07	-	-	-	-	-	-	-	-
Purva Sapphire Land Private Limited	0.50	-	-	-	-	-	-	-	-	-
Purva Star Properties Private Limited	10.34	17.16	-	-	-	-	-	-	-	-
Purva Ruby Properties Private Limited	0.91	0.98	-	-	-	-	-	-	-	-
Nile Developers Private Limited	0.57	0.09	-	-	-	-	-	-	-	-
Vaigai Developers Private Limited	0.47	0.02	-	-	-	-	-	-	-	-
Starworth Infrastructure and Construction Limited	1.80	25.75	-	-	-	-	-	-	-	-
Provident Housing Limited	48.85	15.67	-	-	-	-	-	-	-	-
Purva Land Limited	-	0.03	-	-	-	-	-	-	-	-
Pune Projects LLP	32.19	29.73	-	-	-	-	-	-	-	-
<b>Loans repaid to</b>										
Starworth Infrastructure and Construction Limited	0.81	-	-	-	-	-	-	-	-	-
Ravi Puravankara	-	-	-	-	-	4.20	-	-	-	-
Centurions Housing and Constructions Private Limited	36.46	2.24	-	-	-	-	-	-	-	-
Purva Star Properties Private Limited	1.16	1.99	-	-	-	-	-	-	-	-
<b>Loans taken from</b>										
Centurions Housing and Constructions Private Limited	7.97	15.43	-	-	-	-	-	-	-	-
Ravi Puravankara	-	-	-	-	-	10.00	-	-	-	-
Purva Star Properties Private Limited	67.78	1.99	-	-	-	-	-	-	-	-
Starworth Infrastructure and Construction Limited	0.99	-	-	-	-	-	-	-	-	-
<b>Loans repaid by</b>										
Keppel Magus Development Private Limited	-	-	-	9.27	-	-	-	-	-	-
Starworth Infrastructure and Construction Limited	1.82	25.73	-	-	-	-	-	-	-	-
Provident Housing Limited	0.67	16.59	-	-	-	-	-	-	-	-
Purva Ruby Properties Private Limited	0.23	0.60	-	-	-	-	-	-	-	-
Purva Star Properties Private Limited	23.34	4.24	-	-	-	-	-	-	-	-
Melmont Construction Private Limited	0.01	0.13	-	-	-	-	-	-	-	-
Pune Projects LLP	0.13	0.07	-	-	-	-	-	-	-	-
<b>Advance paid to</b>										
Starworth Infrastructure and Construction Limited	67.11	38.13	-	-	-	-	-	-	-	-
Sobha Puravankara Aviation Private Limited	-	-	22.32	20.76	-	-	-	-	-	-
<b>Advance for Allotment of Shares</b>										
Welworth Lanka Holding Private Limited	2.26	1.09	-	-	-	-	-	-	-	-
Puravankara (UK) Limited	-	0.01	-	-	-	-	-	-	-	-
Sobha Puravankara Aviation Private Limited	-	-	-	3.78	-	-	-	-	-	-

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 31 Related party transactions (contd.)

Nature of transaction	Subsidiaries		Associates		Key management personnel		Relatives of key management personnel		Other related parties	
	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015	31 Mar 2016	31 Mar 2015
<b>Rental deposit</b>										
Provident Housing Limited	-	0.84	-	-	-	-	-	-	-	-
<b>Investment in Shares</b>										
Welworth Lanka Holding Private Limited	2.33	-	-	-	-	-	-	-	-	-
Puravankara (UK) Limited	0.03	-	-	-	-	-	-	-	-	-
Varishtha Property Developers Private Limited	0.01	-	-	-	-	-	-	-	-	-
Vagishwari Land Developers Private Limited	0.01	-	-	-	-	-	-	-	-	-
Jaganmata Property Developers Private Limited	0.01	-	-	-	-	-	-	-	-	-
Jyothishmati Business Centers Private Limited	0.01	-	-	-	-	-	-	-	-	-
<b>Investment in partnership firm</b>										
Pune Projects LLP	-	0.02	-	-	-	-	-	-	-	-
<b>Proceeds on redemption of preference share</b>										
Keppel Puravankara Development Private Limited	-	-	17.64	-	-	-	-	-	-	-
<b>Proceeds on sale of investment</b>										
Keppel Magus Development Private Limited	-	-	-	32.21	-	-	-	-	-	-
Purva Good Earth Properties Private Limited	0.01	-	-	-	-	-	-	-	-	-
<b>Purchase of material and services</b>										
Starworth Infrastructure and Construction Limited	123.84	140.48	-	-	-	-	-	-	-	-
<b>Rental income</b>										
Provident Housing Limited	0.36	0.38	-	-	-	-	-	-	-	-
<b>Dividend received</b>										
Centurions Housing and Constructions Private Limited	34.90	-	-	-	-	-	-	-	-	-
Provident Housing Limited	1.86	-	-	-	-	-	-	-	-	-
<b>Reimbursement of expenses from</b>										
Provident Housing Limited	2.52	5.34	-	-	-	-	-	-	-	-
<b>Reimbursement of expenses to</b>										
Provident Housing Limited	1.01	-	-	-	-	-	-	-	-	-
<b>Purchases of fixed assets</b>										
Provident Housing Limited	1.90	-	-	-	-	-	-	-	-	-
<b>Security</b>										
Handiman Services Limited	-	-	-	-	-	-	-	-	11.16	11.46
<b>Rent (excluding service tax)</b>										
Sobha Puravankara Aviation Private Limited	-	-	2.28	3.66	-	-	-	-	-	-
Starworth Infrastructure and Construction Limited	2.06	-	-	-	-	-	-	-	-	-
Puravankara Investments	-	-	-	-	-	-	-	-	3.80	3.80
<b>Brokerage and referral</b>										
Propmart Technologies Limited	-	-	0.32	0.92	-	-	-	-	-	-
<b>Travel and conveyance</b>										
Sobha Puravankara Aviation Private Limited	-	-	0.03	0.18	-	-	-	-	-	-
<b>Remuneration (Employee benefits expense)</b>										
Ravi Puravankara	-	-	-	-	2.59	2.59	-	-	-	-
Ashish Puravankara	-	-	-	-	1.40	1.32	-	-	-	-

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 32 Employee benefits

#### A. Defined benefit plan

The Company has gratuity and vacation pay as defined benefit retirement plans for its employees. As at 31 March 2016 and 31 March 2015 the plan assets were invested in insurer managed funds.

Disclosures as required by AS 15 are as under:

	31 Mar 2016		31 Mar 2015	
	Gratuity	Vacation pay	Gratuity	Vacation pay
<b>1 The amounts recognized in the Balance Sheet are as follows:</b>				
Present value of the obligation as at the end of the year	10.24	1.21	10.79	1.25
Fair value of plan assets as at the end of the year	(0.99)	-	(1.89)	-
Net liability recognized in the Balance Sheet	<b>9.25</b>	<b>1.21</b>	<b>8.90</b>	<b>1.25</b>
<b>2 Changes in the present value of defined benefit obligation</b>				
Defined benefit obligation as at beginning of the year	10.79	1.25	8.51	0.81
Service cost	1.62	0.23	2.08	0.49
Interest cost	0.74	0.09	0.73	0.08
Actuarial losses/(gains)	(0.62)	0.05	(0.14)	0.07
Benefits paid	(1.02)	(0.36)	(0.39)	(0.20)
Others	(1.27)	(0.05)	-	-
Defined benefit obligation as at the end of the year	<b>10.24</b>	<b>1.21</b>	<b>10.79</b>	<b>1.25</b>
<b>3 Changes in the fair value of plan assets</b>				
Fair value as at the beginning of the year	1.89	-	1.99	-
Expected return on plan assets	0.16	-	0.16	-
Actuarial (losses)/gains	(0.09)	-	0.13	-
Contributions	1.00	0.36	-	0.20
Benefits paid	(1.02)	(0.36)	(0.39)	(0.20)
Others	(0.95)	-	-	-
Fair value as at the end of the year	<b>0.99</b>	<b>-</b>	<b>1.89</b>	<b>-</b>
Non-current	8.51	1.12	8.24	-
Current	0.74	0.09	0.66	1.25
Assumptions used in the above valuations are as under:				
Interest rate	8.00%	8.00%	7.80%	7.80%
Discount rate	8.00%	8.00%	7.80%	7.80%
Expected return on plan assets	8.75%	-	8.75%	-
Future salary increase	6.00%	6.00%	6.00%	6.00%
Attrition rate	5.00%	5.00%	5.00%	5.00%
Retirement age	60 years	60 years	60 years	60 years
<b>4 Net gratuity and vacation pay cost for the year ended 31 March 2016 and 31 March 2015 comprises of following components.</b>				
Service cost	1.62	0.23	2.08	0.49
Interest cost	0.74	0.09	0.73	0.08
Actuarial losses/(gains)	(0.53)	0.05	(0.27)	0.07
Expected return on plan assets	(0.16)	-	(0.16)	-
Net cost	<b>1.67</b>	<b>0.37</b>	<b>2.38</b>	<b>0.64</b>

	31 Mar 2016	31 Mar 2015	31 Mar 2014	31 Mar 2013	31 Mar 2012
<b>5 Experience adjustments</b>					
Defined benefit obligation as at the end of the year	10.24	10.79	8.51	6.82	5.42
Plan assets	0.99	1.89	1.99	2.33	2.68
Surplus/(deficit)	9.25	8.90	6.52	4.50	2.74
Experience adjustments on plan liabilities	(0.62)	(0.14)	(0.21)	0.11	(0.39)
Experience adjustments on plan assets	(0.09)	0.13	(0.09)	0.03	0.02

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 32 Employee benefits (contd.)

#### B. Defined contribution plan

The Company makes contribution of statutory provident fund as per Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Employees State Insurance Scheme as per the Employees' State Insurance Act, 1948. This is a defined contribution plan as per AS 15. Contribution made was ₹2.70 for the year ended 31 March 2016 (31 March 2015- ₹2.53).

### 33

The statement of profit and loss for the year ended 31 March 2016 includes expenditure amounting to ₹24.34 (previous year - ₹50.80), respectively, in respect of completed projects sold during earlier periods.

### 34 Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are promoting education, art and culture, healthcare, ensuring environmental sustainability, destitute care and rehabilitation and rural development projects. During the year, the Company has spent ₹2.21 against ₹2.58 towards CSR activities.

### 35 Disclosure required under Section 186(4) of the Companies Act 2013

For details of loans, advances and guarantees given and securities provided to related parties refer note 31.

### 36 Segmental information

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

### 37 Supplementary statutory information

#### a) Particulars relating to foreign currency

	31 Mar 2016	31 Mar 2015
i. Earnings in foreign currency (on receipt basis)		
Revenue from projects	3.77	3.05
ii. Expenditure in foreign currency (on accrual basis)		
Salary	2.33	2.11
Travel	0.88	0.94
Rent	0.13	0.04
Others	3.35	3.47
	<b>6.69</b>	<b>6.56</b>
iii. CIF value of imports		
Construction materials	-	0.39
	<b>-</b>	<b>0.39</b>

#### b) Consumption of raw materials

	31 Mar 2016		31 Mar 2015	
	₹ crore	%	₹ crore	%
Indigenous	76.55	100.00	123.08	99.68
Imported	-	-	0.39	0.32
	<b>76.55</b>	<b>100.00</b>	<b>123.47</b>	<b>100.00</b>

## Notes to the Financial Statements

(All amounts in ₹ crore, unless otherwise stated)

### 37 Supplementary statutory information (contd.)

#### c) Donation to political parties

	31 Mar 2016	31 Mar 2015
Communist Party of India	-	0.003
Revolutionary Socialist Party of Kerala (Bolshevik)	0.001	0.004
Communist Party of India (M)	-	0.002
Bharathiya Janatha Party	0.001	0.002
INTUC	0.001	0.001
Indian Youth Congress	-	0.001
Congress Committee	-	0.002
	<b>0.003</b>	<b>0.015</b>

### 38 Disclosures of dues to Micro, Small and Medium enterprises

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

	31 Mar 2016	31 Mar 2015
i. The principal amount remaining unpaid	5.84	8.46
ii. Interest due thereon remaining unpaid	0.01	-
iii. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iv. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	0.01	-
v. The amount of interest accrued during the year and remaining unpaid	0.01	-
vi. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	0.01	-

### 39 Prior period comparatives

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

As per report of even date

For Walker Chandiok & Co LLP  
Chartered Accountants

per Sanjay Banthia  
Partner

Mumbai  
27 May 2016

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

Ashish Puravankara  
Managing Director  
DIN 00504524

Hari Ramakrishnan  
Deputy Chief Financial Officer

Mumbai  
27 May 2016

Nani R Choksey  
Joint Managing Director  
DIN 00504555

D. Bindu  
Company Secretary  
Mem No 23290





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