

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

1. We have reviewed the accompanying statement of unaudited standalone financial results of Puravankara Limited (the "Company") which includes its 4 partnership entities for the quarter ended September 30, 2021 and year to date from April 1, 2021 to September 30, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above and based on the consideration of the review reports of other auditors of the partnership entities referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. **Emphasis of Matter**

We draw attention to the following notes to the accompanying financial results:

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- i) Note 07 in connection with the wholly-owned subsidiary being subject to an ongoing litigation with its customer. Pending resolution of the litigation and based on legal opinion obtained by the management, no provision has been made towards the resulting impact of customer's counter-claims on the subsidiary in the accompanying financial results.
- ii) Note 08 in connection with certain ongoing property related legal proceedings in the Company. Pending resolution of the legal proceedings and based on legal opinions obtained by the management, no provision has been made towards any claims and the underlying recoverable, deposits and advances are classified as good and recoverable in the accompanying financial results.
- iii) Note 09 in connection with the management's evaluation of Covid-19 impact on the business operations and cash flows of the Company. In view of the uncertain economic conditions, the management's evaluation of the impact on the subsequent periods is highly dependent upon conditions as they evolve.

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

6. Other Matter

The accompanying Statement of quarterly unaudited standalone financial results include the financial results and other financial information in respect of 4 partnership entities, whose financial results include the Company's share of net loss after tax of Rs. 0.17 crore and Rs. 0.47 crore for the quarter ended September 30, 2021 and for the period from April 1, 2021 to September 30, 2021 as considered in the Statement, whose financial results and other financial information have been reviewed by other auditors.

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

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

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

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per Adarsh Ranka
Partner
Membership No.: 209567

UDIN: 21209567AAAAGZ1047

Place: Bengaluru, India
Date: November 12, 2021

Statement of Unaudited Standalone Financial Results for the quarter and six months ended September 30, 2021

(Rs. in Crores)

Sl. No.	Particulars	Quarter ended 30.09.2021 [Unaudited]	Preceding Quarter ended 30.06.2021 [Unaudited]	Corresponding Quarter ended 30.09.2020 [Unaudited]	Year to date figures for the current period ended 30.09.2021 [Unaudited]	Year to date figures for the preceding period ended 30.09.2020 [Unaudited]	Previous Year ended 31.03.2021 [Audited]
1	Income						
	(a) Revenue from operations	121.93	424.06	147.22	545.99	288.26	563.95
	(b) Other income	8.80	156.30	6.23	165.10	11.78	66.70
	Total income	130.73	580.36	153.45	711.09	300.04	630.65
2	Expenses						
	(a) Sub-contractor cost	83.78	37.75	21.07	121.53	53.28	141.08
	(b) Cost of raw materials and components consumed	0.78	0.15	4.32	0.93	6.75	8.92
	(c) Land purchase cost	0.37	9.16	-	9.53	64.23	67.28
	(d) (Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress	(46.38)	86.47	36.23	40.09	(3.77)	(17.51)
	(e) Employee benefits expense	21.00	18.65	15.85	39.65	33.20	70.36
	(f) Finance cost	45.11	52.15	64.82	97.26	128.49	252.42
	(g) Depreciation and amortization expense	2.42	2.47	2.90	4.89	5.81	11.18
	(h) Other expenses	20.72	63.25	24.93	83.97	44.48	110.96
	Total expenses	127.80	270.05	170.12	397.85	332.47	644.69
3	Profit/(loss) before tax (1-2)	2.93	310.31	(16.67)	313.24	(32.43)	(14.04)
4	Tax expense						
	(i) Current tax charge/(credit)	0.30	35.30	-	35.60	-	-
	(ii) Deferred tax charge/(credit)	0.64	107.69	(5.21)	108.33	(10.81)	(4.33)
	Total	0.94	142.99	(5.21)	143.93	(10.81)	(4.33)
5	Net profit/(loss) for the period (3-4)	1.99	167.32	(11.46)	169.31	(21.62)	(9.71)
6	Other comprehensive income						
	(i) Items that will not be reclassified to profit and loss	(0.50)	0.68	(0.06)	0.18	0.25	(1.92)
	(ii) Income tax relating to items that will not be reclassified to profit and loss	0.13	(0.17)	0.02	(0.04)	(0.09)	0.67
	Total	(0.37)	0.51	(0.04)	0.14	0.16	(1.25)
7	Total Comprehensive Income for the period [Comprising Net profit for the period and Other Comprehensive Income (5+6)]	1.62	167.83	(11.50)	169.45	(21.46)	(10.96)
8(i)	Earnings per share (before extraordinary items) (of Rs. 5/- each) (not annualised):						
	a) Basic (in Rs.)	0.08	7.06	(0.48)	7.14	(0.91)	(0.41)
	b) Diluted (in Rs.)	0.08	7.06	(0.48)	7.14	(0.91)	(0.41)
8(ii)	Earnings per share (after extraordinary items) (of Rs. 5/- each) (not annualised):						
	a) Basic (in Rs.)	0.08	7.06	(0.48)	7.14	(0.91)	(0.41)
	b) Diluted (in Rs.)	0.08	7.06	(0.48)	7.14	(0.91)	(0.41)
9	Paid-up equity share capital (Face value of Rs. 5/- each)	118.58	118.58	118.58	118.58	118.58	118.58
10	Other equity as per the balance sheet						1,520.91

Statement of Unaudited Standalone Financial Results for the quarter and six months ended September 30, 2021

Notes :

1 The above standalone financial results of Puravankara Limited ('the Company') have been reviewed by the Audit Committee and approved at the meeting of the Board of Directors of the Company held on 12.11.2021. The statutory auditors of the Company have carried out a limited review on the above standalone financial results of the Company for the quarter and six months ended September 30, 2021.

2 The standalone statement of assets and liabilities are as below:

Particulars	(Rs. in Crores)	
	As at 30.09.2021 [Unaudited]	As at 31.03.2021 [Audited]
A ASSETS		
1 Non-Current Assets		
(a) Property, plant and equipment	23.37	27.94
(b) Investment property	33.18	33.37
(c) Intangible assets	1.72	2.13
(d) Financial assets		
(i) Investments	74.12	70.33
(ii) Loans	330.19	306.18
(iii) Other financial assets	202.46	213.98
(e) Deferred tax assets (net)	85.56	193.93
(f) Assets for current tax (net)	23.35	40.46
(g) Other non-current assets	105.88	102.16
Sub-total - Non Current Assets	879.83	990.48
2 Current Assets		
(a) Inventories	4,017.21	4,057.34
(b) Financial assets		
(i) Trade receivables	90.88	162.84
(ii) Cash and cash equivalents	220.28	94.09
(iii) Bank balances other than (ii) above	4.01	3.79
(iv) Loans	88.31	78.92
(v) Other financial assets	23.09	29.59
(c) Other current assets	183.42	249.97
Sub-total - Current Assets	4,627.20	4,676.54
TOTAL ASSETS	5,507.03	5,667.02
B EQUITY		
(a) Equity share capital	118.58	118.58
(b) Other equity	1,690.35	1,520.91
Sub-total - Equity	1,808.93	1,639.49
C LIABILITIES		
1 Non-Current Liabilities		
(a) Financial liabilities		
(i) Borrowings	62.13	79.66
(ii) Lease liabilities	1.71	4.22
(iii) Other financial liabilities	17.86	18.10
(b) Provisions	5.29	5.62
Sub-total - Non Current Liabilities	86.99	107.60
2 Current Liabilities		
(a) Financial liabilities		
(i) Borrowings	1,484.33	1,770.68
(ii) Lease liabilities	5.06	5.72
(iii) Trade payables		
a) total outstanding dues of micro enterprises and small enterprises	8.27	8.15
b) total outstanding dues of creditors other than micro enterprises and small enterprises	254.72	359.26
(iv) Other financial liabilities	20.93	32.97
(b) Other current liabilities	1,829.40	1,738.66
(c) Provisions	8.40	4.49
Sub-total - Current Liabilities	3,611.11	3,919.93
TOTAL EQUITY AND LIABILITIES	5,507.03	5,667.02

Statement of Unaudited Standalone Financial Results for the quarter and six months ended September 30, 2021

3 The standalone statement of cash flows are as below:

Particulars	(Rs. in Crores)	
	Year to date figures for the current period ended 30.09.2021 [Unaudited]	Year to date figures for the preceding period ended 30.09.2020 [Unaudited]
A. Cash flow from operating activities		
Profit/(Loss) before tax	313.24	(32.43)
Adjustments to reconcile profit after tax to net cash flows:		
Depreciation and amortization expense	4.89	5.81
Financial guarantee income	(0.56)	(0.56)
Liabilities no longer required written-back	(3.31)	(0.90)
Profit on sale of investment	(149.99)	-
Loss/(profit) on sale of property, plant and equipment	0.96	(0.01)
Share in loss of partnership firm investments (post tax)	(0.47)	(0.22)
Finance cost	97.26	128.49
Interest income	(2.45)	(7.50)
Operating profit before working capital changes	259.57	92.68
Working capital adjustments:		
(Increase)/decrease in trade receivables	71.96	23.02
(Increase)/ decrease in inventories	40.13	(2.43)
(Increase)/ decrease in loans	-	0.40
(Increase)/ decrease in other financial assets	2.64	1.14
(Increase)/ decrease in other assets	65.08	(67.13)
Increase/ (decrease) in trade payables	(97.46)	49.14
Increase/ (decrease) in other financial liabilities	(15.45)	(4.40)
Increase/ (decrease) in other liabilities	88.02	(0.28)
Increase/ (decrease) in provisions	17.12	0.70
Cash (used in)/ received from operations	431.61	92.84
Income tax paid (net)	(18.51)	5.22
Net cash flows (used in)/from operating activities	413.10	98.06
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(0.38)	(0.06)
Purchase of intangible assets	-	(0.01)
Proceeds from sale of property, plant and equipment, investment properties	0.02	0.01
Investments made in subsidiaries, associates and joint ventures	(3.80)	(0.01)
Proceeds from sale of shares of subsidiary	149.99	-
Loans given to subsidiaries, associates and joint ventures	(105.23)	(78.06)
Loans repaid by subsidiaries, associates and joint ventures	73.03	74.58
Investment in bank deposits (original maturity of more than 3 months)	(0.21)	(8.56)
Redemption of bank deposits (original maturity of more than 3 months)	-	7.53
Interest received	0.69	1.15
Net cash flows from / (used in) investing activities	114.11	(3.43)
C. Cash flows from financing activities		
Proceeds from secured term loans	297.71	107.54
Repayment of secured term loans	(497.83)	(116.55)
Proceeds from unsecured term loans	25.00	-
Repayment of unsecured term loans	(91.00)	-
Loans taken from related parties	4.43	12.84
Loans repaid to related parties	(8.71)	(6.45)
Payment of lease liabilities	(3.63)	(4.16)
Finance cost paid	(91.27)	(48.84)
Net cash (used in)/from financing activities	(365.30)	(55.62)
Net (decrease)/increase in cash and cash equivalents (A + B + C)	161.91	39.01
Cash and cash equivalents at the beginning of the period	(15.04)	(27.33)
Cash and cash equivalents at the end of the period	146.87	11.68
Components of cash and cash equivalents		
Cash and cash equivalents as per balance sheet	220.28	94.59
Less: Cash credit and other facilities from banks	(73.41)	(82.91)
Cash and cash equivalents reported in cash flow statement	146.87	11.68

Statement of Unaudited Standalone Financial Results for the quarter and six months ended September 30, 2021

- 4 During the quarter ended September 30, 2021, the Company has acquired Purva Asset Management Private Limited (formerly, Map Capital Advisors Private Limited) as its subsidiary.
- 5 The Company's business activity falls within a single reportable segment, i.e., real estate development. Hence, there are no additional disclosures to be provided under Ind-AS 108 – Segment information with respect to the single reportable segment. Further, the Company is domiciled in India and does not have significant foreign operations.
- 6 During the quarter ended June 30, 2021, the Company has sold its land inventory to its subsidiary - Vagishwari Land Developers Private Limited for a consideration of Rs.350 crores which has been accounted under Revenue from operations. Subsequently, the Company has sold its investments in the aforementioned subsidiary on June 10, 2021 to a third party for a consideration of Rs. 150 crores and the resulting gain has been accounted under Other Income. The results for the six month ended September 30, 2021 include the net profit (net of tax expense) arising on the above transactions.
- 7 A wholly-owned subsidiary of the Company had initiated legal proceedings against its customer for recovery of receivables of Rs.15 crores, inventories of Rs.1 crore and customer's counter claim thereon, which is currently pending before the Commercial Court. Pending resolution of the aforesaid litigation, no provision has been made towards the resulting impact of customer's counter-claims on the subsidiary in the accompanying financial results based on the legal opinion obtained by the management and the management's evaluation of the ultimate outcome of the litigation.
- 8 The Company is subject to legal proceedings for obtaining clear and marketable title for certain properties wherein the Company has outstanding deposits and advances of Rs. 79 crores. Further, the Company has Rs. 3 crore recoverable from parties, which are subject to ongoing legal proceedings. Pending resolution of the aforesaid legal proceedings, no provision has been made towards any claims and the underlying recoverable, deposits and advances are classified as good and recoverable in the accompanying financial results based on the legal evaluation by the management of the ultimate outcome of the legal proceedings.
- 9 The outbreak of Covid-19 pandemic globally and in India has caused significant disturbance and slowdown of economic activities. Consequently, the Company's operations were slowed down/suspended and accordingly the standalone financial results for the quarter and six ended September 30, 2021 are adversely impacted.
- The Company has considered the possible effects that may result from the COVID-19 pandemic on the carrying value of assets [including property, plant and equipment, investment property, investments, inventories, loans, land advance/deposits and receivables]. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information to assess the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on the current estimates, the Company expects that the carrying amount of these assets as at period end, are fully recoverable. The management has estimated the future cash flows for the Company with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on realising its assets and in meeting its liabilities as and when they fall due. The actual impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these financial results.
- Further, the Company's management has also made a detailed assessment of the progress of construction work on its ongoing projects during the period of lockdown and has concluded that the same was only a temporary slowdown in activities and has accordingly inventorised the borrowing costs incurred in accordance with Ind AS 23.
- The outbreak of Covid-19 has impacted construction operations and project completion timelines of certain ongoing customer contracts of a wholly-owned subsidiary (WOS). The WOS is carrying construction work in progress as at September 30, 2021 and having regard to the WOS's ongoing discussions with its customers towards the construction work, the WOS is confident of billing the same in the ensuing quarters. Further, the WOS has also initiated proceedings with its customer for extension of certain projects' completion timeline and waiver of liquidated damages thereon amounting to Rs.20 crores. Pending resolution of the aforesaid matter, no provision has been made towards such liquidated damages in the accompanying financial results based on the terms of the customer contracts and impact of Covid-19 pandemic.
- The Company will continue to closely observe the evolving scenario and take into account any future developments arising out of the same.
- 10 The Taxation Laws (Amendment) Ordinance, 2019 ('the Ordinance') provides an option to domestic companies to pay income-tax at a lower rate of 25.17%, if it opts for not availing of certain specified exemptions or incentives. The Company has made an assessment of the impact of the Ordinance and has decided to opt for the lower tax rate of 25.17% from the financial year beginning April 01, 2021. Consequently, the Company has measured the current and deferred taxes from the normal rate of 34.94% to the lower rate of 25.17% and the tax expense for the quarter and six month ended September 30, 2021 is higher by Rs. Nil and Rs.67.90 crores respectively

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

CHOKSEY
NANI RUSI

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

Bengaluru, India
November 12, 2021