

INDEPENDENT AUDITOR'S REPORT

To the Members of Purva Good Earth Properties Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Purva Good Earth Properties Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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



Responsibilities of Management for the Financial Statements

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

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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



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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g).



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- (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (h) The Company has not paid any managerial remuneration to its directors during the year and hence provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2024;
- (i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27(b) to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer note 11 to the financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 26(v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 26(vi) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. No dividend has been declared or paid during the year by the Company.



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- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software except that, audit trail feature is not enabled for certain changes made, if any, using certain access rights, as described in note 30 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Sudhir Kumar Jain
Partner

Membership Number: 213157

UDIN: 24213157BKFNGX2661

Place: Bengaluru

Date: May 20, 2024



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Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Purva Good Earth Properties Private Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) The Company does not own any property, plant and equipment and intangible assets. Accordingly, the provisions of clause 3(i)(a)(A) and (B) of the Order are not applicable to the Company.
- (b) The Company does not own any property, plant and equipment. Accordingly, the provisions of clause 3(i)(b) of the Order are not applicable to the Company.
- (c) There is no immovable property held by the Company included in property, plant and equipment and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company does not own any property, plant and equipment and intangible assets. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable to the Company.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder as disclosed in the note 26(i) to the financial statements.
- (ii) (a) Having regard to the nature of inventory comprising of work in progress of real estate project under development, the management has conducted physical verification of inventory by way of verification of title deeds, site visits and certification of extent of work completion, at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.



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- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 ('the Act') are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) Since the provisions of Section 148(1) of the Act are not applicable to the Company, the requirements relating to report on clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) Undisputed statutory dues including goods and services tax, income-tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there have been slight delays in few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to provident fund and employees' state insurance are not applicable to the Company.
- (b) The dues of goods and services tax, income-tax, duty of custom, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

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

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year as disclosed in note 26(vii) to the financial statements. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.



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- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) and hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No material fraud by the Company or on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a, b and c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 of the Act are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order in so far as it relates to section 177 of the Act is not applicable to the Company.
- (xiv) (a) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) of the Order is not applicable to the Company.
- (b) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(b) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.



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- (d) There is no Core Investment Company as part of the Group, and hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses amounting to Rs. 1,588.29 lakhs in the current year and amounting to Rs. 4,166.34 lakhs in the immediately preceding financial year respectively.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 25 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company.
- We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The provisions of section 135 of the Act in relation to Corporate Social Responsibility is not applicable to the Company as disclosed in note 18 to the financial statements. Accordingly, the requirement to report on clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

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

per Sudhin Kumar Jain
Partner
Membership Number: 213157

UDIN: 24213157BKFNGX2661

Place: Bengaluru
Date: May 20, 2024



Annexure '2' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Purva Good Earth Properties Private Limited ("the Company")

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

We have audited the internal financial controls with reference to financial statements of Purva Good Earth Properties Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



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Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to these Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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

per Sudhir Kumar Jain
Partner
Membership Number: 213157

UDIN: 24213157BKFNGX2661

Place: Bengaluru
Date: May 20, 2024



Purva Good Earth Properties Private Limited
 CIN: U45201KA2007PTC042436
 Balance Sheet as at March 31, 2024
 (All amounts in Rs. Lakhs, unless otherwise stated)

	Note	March 31, 2024	March 31, 2023
ASSETS			
Non-current assets			
(a) Assets for current tax (net)	5	5.20	-
(b) Other non-current assets	3a	306.20	1,227.00
Total non-current assets		311.40	1,227.00
Current assets			
(a) Inventories	4	24,470.08	22,817.84
(b) Financial assets			
Trade receivables	6	1,256.40	-
Cash and cash equivalents	7	3,370.78	412.23
(c) Other current assets	3b	236.92	324.83
Total current assets		29,334.18	23,554.90
Total assets		29,645.58	24,781.90
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	8	1.00	1.00
(b) Other equity	9	2,428.35	4,016.64
Total equity		2,429.35	4,017.64
LIABILITIES			
Non-current Liabilities			
(a) Financial liabilities			
Borrowings	10a	-	18,950.00
Total non-current liabilities		-	18,950.00
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	10b	15,056.56	728.02
(ii) Trade payables	12		
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		732.77	872.77
(iii) Other financial liabilities	13	-	118.61
(b) Other current liabilities	14	10,444.12	94.86
(c) Provisions	11	982.78	-
Total current liabilities		27,216.23	1,814.26
Total equity and liabilities		29,645.58	24,781.90

Summary of material accounting policies 2.2
 The accompanying notes referred to above form an integral part of the financial statements

As per our report of even date

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

per Sudhir Kumar Jain
 Partner
 Membership no. 213157



Bengaluru
 May 20, 2024

For and on behalf of the Board of Directors of
 Purva Good Earth Properties Private Limited
 CIN: U45201KA2007PTC042436

Ashish R Puravankara
 Director
 DIN 00504524

Jashir Ashish Puravankara
 Director
 DIN 01918184

Bengaluru
 May 20, 2024



Purva Good Earth Properties Private Limited
 CIN: U45201KA2007PTC042436
 Statement of Profit and Loss for the year ended March 31, 2024
 (All amounts in Rs. Lakhs, unless otherwise stated)

	Note	March 31, 2024	March 31, 2023
Income			
Revenue from operations		-	-
Other income	15	2,181.54	-
Total		2,181.54	-
Expenses			
Sub-contractor cost		1,323.65	144.99
(Increase)/ decrease in work-in-progress	16	(1,652.24)	(1,293.46)
Finance costs	17	2,272.35	4,053.48
Other expenses	18	1,826.07	1,261.33
Total expenses		3,769.83	4,166.34
Profit/(loss) before exceptional items and tax		(1,588.29)	(4,166.34)
Exceptional items	19	-	17,186.52
Profit/(loss) before tax		(1,588.29)	13,020.18
Tax expenses		-	-
Profit/(loss) for the year		(1,588.29)	13,020.18
Other comprehensive income ('OCI')			
Items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
Total other comprehensive income		-	-
Total comprehensive income/(loss) for the year (comprising profit and OCI)		(1,588.29)	13,020.18
Earnings per equity share ('EPS')			
[Nominal value per equity share Rs 10 (March 31, 2023 - Rs 10)]			
Basic (Rs)		(15,882.90)	1,30,201.80
Diluted (Rs)		(15,882.90)	1,30,201.80
Weighted average number of equity shares used in computation of EPS			
Basic (in numbers lakhs)		0.10	0.10
Diluted (in numbers lakhs)		0.10	0.10

Summary of material accounting policies

2.2

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

As per our report of even date

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

per Sudhir Kumar Jain
 Partner
 Membership no. 213157

Bengaluru
 May 20, 2024



For and on behalf of the Board of Directors of
 Purva Good Earth Properties Private Limited
 CIN: U45201KA2007PTC042436

Ashish R Puravankara
 Director
 DIN 00504524

Bengaluru
 May 20, 2024

(Signature)
 Ashish Puravankara
 Director
 DIN 01918184



Purva Good Earth Properties Private Limited
CIN: U45201KA2007PTC042436
Statement of cash flow for the year ended March 31, 2024
(All amounts in Rs. Lakhs, unless otherwise stated)

Note	March 31, 2024	March 31, 2023
A. Cash flow from operating activities		
Profit/(loss) before tax	(1,588.29)	13,020.18
Adjustments to reconcile profit before tax to net cash flows		
Interest expense	2,272.35	4,053.48
Interest income	(16.84)	-
Liability no longer required written back	(2,104.53)	-
Provision for onerous contracts	982.78	-
Exceptional items	-	(17,186.52)
Operating profit before working capital changes	(454.53)	(112.86)
Working capital adjustments:		
(Increase)/Decrease in other assets	1,008.71	1,652.26
(Increase)/Decrease in inventories	(2,635.02)	(1,293.46)
(Increase)/Decrease in trade receivable	(1,256.40)	-
Increase/(Decrease) in trade payables	(140.00)	642.13
Increase/(Decrease) in other financial liabilities	(118.61)	118.61
Increase/(Decrease) in other liabilities	11,332.04	94.86
Cash (used in)/ received from operations	7,736.19	1,101.54
Income tax paid (net)	(5.20)	-
Net cash flows (used in)/from operating activities	7,730.99	1,101.54
B. Cash flows from investing activities		
Interest on bank deposits	16.84	-
Net cash flows from/ (used in) investing activities	16.84	-
C. Cash flows from financing activities		
Repayment of debentures	(14,894.96)	-
Proceeds from debentures	11,500.00	-
Loan taken from related parties	414.97	5.03
Loan repaid to related parties	(1,691.17)	(200.71)
Finance costs paid	(118.13)	(498.63)
Net cash (used in)/from financing activities	(4,789.28)	(694.31)
Net (decrease)/increase in cash and cash equivalents (A + B + C)	2,958.55	407.23
Cash and cash equivalents at the beginning of the year	412.23	5.00
Cash and cash equivalents at the end of the year	3,370.78	412.23

Components of cash and cash equivalents

Cash and cash equivalents	7		
Cash on hand		0.40	0.20
Balance with banks			
In current accounts		2,170.38	412.03
Bank deposits with original maturity upto three months		1,200.00	-
Cash and cash equivalents reported in cash flow statement		3,370.78	412.23
Change in liabilities arising from financing activities	7		

Summary of material accounting policies

22

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

As per our report of even date

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

per Sudhir Kumar Jain
Partner
Membership no. 213157

Bengaluru
May 20, 2024



For and on behalf of the Board of Directors of
Purva Good Earth Properties Private Limited
CIN: U45201KA2007PTC042436

Ashish R Puravankara
Director
DIN 00504524

Bengaluru
May 20, 2024

Jasbir Ashish Puravankara
Director
DIN 01918184



Purva Good Earth Properties Private Limited
 CIN: U45201KA2007PTC042436
 Statement of changes in equity for the year ended March 31, 2024
 (All amounts in Rs. Lakhs, unless otherwise stated)

A. Equity share capital
 (refer note 8)

Equity shares of Rs. 10 each fully paid
 0.10 lakhs (March 31, 2023 - 0.10 lakhs) equity shares

	As at April 01, 2022	Movement during 2022-23	As at March 31, 2023	Movement during 2023-24	As at March 31, 2024
	1.00	-	1.00	-	1.00
	1.00	-	1.00	-	1.00

B. Other equity
 (refer note 9)

Balance as at April 01, 2022
 Profit/(Loss) for the year
 Other comprehensive income
 Balance as at 31 March 2023
 Profit/(Loss) for the year
 Other comprehensive income
 Debenture Redemption Reserve
 Balance as at 31 March 2024

Debenture Redemption Reserve	Reserves and surplus	
	Retained Earnings	Total
-	(9,003.54)	(9,003.54)
-	13,020.18	13,020.18
-	-	-
-	4,016.64	4,016.64
-	(1,588.29)	(1,588.29)
-	-	-
1,150.00	(1,150.00)	-
1,150.00	1,278.35	2,428.35

Summary of material accounting policies

2.2

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

As per our report of even date

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

per Sudhir Kumar Jain
 Partner
 Membership no. 213157



Bengaluru
 May 20, 2024

For and on behalf of the Board of Directors of
 Purva Good Earth Properties Private Limited
 CIN: U45201KA2007PTC042436

Ashish R Puravankara
 Director
 DIN: 00504524

Bengaluru
 May 20, 2024

Ashish Ashish Puravankara
 Director
 DIN: 01918184



Purva Good Earth Properties Private Limited
CIN: U45201KA2007PTC042436
Notes to Financial Statements for the year ended March 31, 2024
(All amounts in Indian Rs. lakhs, unless otherwise stated)

1. Corporate information

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

The Company is in the initial phase of its operations and in the process of executing a real estate project. Further, Provident Housing Limited, the holding company and Puravankara Limited, the ultimate holding company are committed to provide financial and operational support to the Company for its profitable operations in the foreseeable future.

The financial statements were authorized for issue in accordance with a resolution of the Board of Directors on May 20, 2024.

2. Material accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and the Companies (Accounts) Rules, 2014, as amended, and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III).

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.2 Summary of material accounting policies

(a) Use of estimates

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

(b) Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

(c) Impairment

A. Financial assets

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

B. Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is



Purva Good Earth Properties Private Limited
CIN: U45201KA2007PTC042436
Notes to Financial Statements for the year ended March 31, 2024
(All amounts in Indian Rs. lakhs, unless otherwise stated)

determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

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

(d) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration,

Where the Company is lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Assets subject to operating leases are included under Investment property.

Lease income from operating lease is recognized on a straight-line basis over the term of the relevant lease including lease income on fair value of refundable security deposits, unless the lease agreement explicitly states that increase is on account of inflation. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

(e) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized/inventorised as part of the cost of the respective asset. All other borrowing costs are charged to statement of profit and loss.

(f) Inventories

Direct expenditure relating to real estate activity is inventorised. Other expenditure (including borrowing costs) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the real estate activity.

i. Work-in-progress: Represents cost incurred in respect of unsold area (including land) of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Work-in-progress is valued at lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(g) Land

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

(h) Revenue recognition

Interest income

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



Purva Good Earth Properties Private Limited
CIN: U45201KA2007PTC042436
Notes to Financial Statements for the year ended March 31, 2024
(All amounts in Indian Rs. lakhs, unless otherwise stated)

(i) Foreign currency translation

Functional and presentation currency

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

Foreign currency transactions and balances

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

(j) Retirement and other employee benefits

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

(k) Income taxes

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

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

i. Current income tax

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

ii. Deferred income tax

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

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

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

(l) Provisions and contingent liabilities

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

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



Purva Good Earth Properties Private Limited
CIN: U45201KA2007PTC042436
Notes to Financial Statements for the year ended March 31, 2024
(All amounts in Indian Rs. lakhs, unless otherwise stated)

(m) Financial Instruments

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

- i. Financial assets at fair value through other comprehensive income
Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- ii. Financial assets at fair value through profit or loss
Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition.
- iii. Debt instruments at amortized cost
A 'debt instrument' is measured at the amortized cost if both the following conditions are met:
 - a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.
- iv. De-recognition of financial asset
The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.
- v. Financial liabilities
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate. The Company's financial liabilities include trade payables and borrowings. The subsequent measurement of financial liabilities depends on their classification, which is described below.
- vi. Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.
- vii. Financial liabilities at amortized cost
Financial liabilities are subsequently measured at amortized cost using the effective interest ('EIR') method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.
- viii. De-recognition of financial liability
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.
- ix. Fair value of financial instruments
In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
 - ▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
 - ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
- For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



(n) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(o) Cash and cash equivalents

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

2.3 Significant accounting judgments, estimates and assumptions

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

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

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

i. *Estimation of net realizable value for inventory and land advance*

Inventory is stated at the lower of cost and net realizable value (NRV).

NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion. With respect to Land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

ii. *Impairment of non-financial assets*

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

iii. *Measurement of financial instruments at amortized cost*

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

iv. *Provision for litigations and contingencies*

Provision for litigations and contingencies is determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimates the ultimate outcome of such past events and measurement of the obligation amount. Due to judgements involved in such estimation the provision is sensitive to the actual outcome in future periods.

v. *Deferred tax assets*

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry



Purva Good Earth Properties Private Limited
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Notes to Financial Statements for the year ended March 31, 2024
(All amounts in Indian Rs. lakhs, unless otherwise stated)

forward of unused tax credits and unused tax losses can be utilized, which involves judgements around estimation of future taxable profit. Due to judgements involved in such estimation, the same is sensitive to the actual outcome in future periods.

2.4 Changes in accounting policies and disclosures

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 01, 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Company's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The amendments had no impact on the Company's financial statements.

Apart from these, consequential amendments and editorials have been made to other Ind AS, to the extent applicable, like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.



	March 31, 2024	March 31, 2023
3 Other assets (unsecured, considered good)		
a Non-current		
Prepaid expenses	306.20	-
Deposits with government authorities	-	1,227.00
	<u>306.20</u>	<u>1,227.00</u>
b Current		
Advances to suppliers	51.65	61.52
Duties and taxes recoverable	185.27	259.56
Prepaid expenses	-	3.75
	<u>236.92</u>	<u>324.83</u>
4 Inventories (valued at lower of cost and net realisable value)		
Work-in-progress	24,470.08	22,817.84
	<u>24,470.08</u>	<u>22,817.84</u>
Note: Details of assets pledged are as per note 10		
5 Assets for current tax (net)		
Advance income tax	5.20	-
	<u>5.20</u>	<u>-</u>
6 Trade receivables Unsecured, considered good		
Dues from related parties	-	-
Dues from others	1,256.40	-
	<u>1,256.40</u>	<u>-</u>

Trade receivables Ageing Schedule

As at 31 March 2024	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables considered good	1,227.05	29.35	-	-	-	1,256.40
Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable credit impaired	-	-	-	-	-	-
Disputed Trade receivables considered good	-	-	-	-	-	-
Disputed Trade receivables which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables credit impaired	-	-	-	-	-	-
Total	<u>1,227.05</u>	<u>29.35</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,256.40</u>

Trade receivables Ageing Schedule

As at 31 March 2023	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables considered good	-	-	-	-	-	-
Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable credit impaired	-	-	-	-	-	-
Disputed Trade receivables considered good	-	-	-	-	-	-
Disputed Trade receivables which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables credit impaired	-	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

	March 31, 2024	March 31, 2023
7 Cash and cash equivalents		
Balance with banks		
In current accounts	2,170.38	412.03
Bank deposits with original maturity upto three months	1,200.00	-
Cash on hand	0.40	0.20
	<u>3,370.78</u>	<u>412.23</u>

Changes in liabilities arising from financing activities

a) Borrowings

	Total
Balance as at April 01, 2022	39,969.60
Add: Cash inflows	5.03
Less: Cash outflows	(200.71)
Add: Finance cost	4,053.48
Less: Finance cost paid	(498.63)
Less: Non-cash items - reversal of accrued debenture interest (refer note 19)	(23,650.75)
Balance as at March 31, 2023	<u>19,678.02</u>
Add: Cash inflows	11,500.00
Less: Cash outflows	(16,586.13)
Add: Finance cost	2,272.35
Less: Finance cost paid	(118.13)
Less: Non-cash items - Liability no longer required written back (refer note 15)	(2,104.53)
Balance as at March 31, 2024	<u>14,641.58</u>



Purva Good Earth Properties Private Limited
 CIN: U45201KA2007PTC042436
 Notes to Financial Statements for the year ended March 31, 2024
 (All amounts in Rs. Lakhs, unless otherwise stated)

	March 31, 2024	March 31, 2023
8 Equity share capital		
Authorized shares		
Equity share capital of face value of Rs. 10 each		
1 Lakh (March 31, 2023 - 1 Lakh) equity shares of Rs. 10 each	10.00	10.00
Issued, subscribed and fully paid-up shares		
Equity share capital of face value of Rs. 10 each		
0.1 Lakh (March 31, 2023 - 0.1 Lakh) equity shares of Rs. 10 each	1.00	1.00
	<u>1.00</u>	<u>1.00</u>

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	March 31, 2024		March 31, 2023	
	Numbers in Lakhs	Amount in Lakhs	Numbers in Lakhs	Amount in Lakhs
Balance at the beginning of the year	0.10	1.00	0.10	1.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>0.10</u>	<u>1.00</u>	<u>0.10</u>	<u>1.00</u>

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

	March 31, 2024	March 31, 2023
Provident Housing Limited, the holding company (as per Companies Act 2013)	1.00	1.00
0.1 Lakh (March 31, 2023 - 0.1 Lakh) equity shares of Rs. 10 each		

d. Details of shareholders holding more than 5% shares

Equity shares of Rs. 10 each fully paid-up	March 31, 2024		March 31, 2023	
	Numbers in Lakhs	% holding	Numbers in Lakhs	% holding
Provident Housing Limited	0.10	100%	0.10	100%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



e. Shares held by promoters

As at March 31, 2024

Promoter Name	Class of equity shares	No. of shares at the beginning of the year (in lakhs)	Change during the year	No. of shares at the end of the year (in lakhs)	% of total shares
Provident Housing Limited	Equity shares of Rs 10 each	0.10	-	0.10	100%

As at March 31, 2023

Promoter Name	Class of equity shares	No. of shares at the beginning of the year (in lakhs)	Change during the year	No. of shares at the end of the year (in lakhs)	% of total shares
Provident Housing Limited	Equity shares of Rs 10 each	0.10	-	0.10	100%

f. Shares reserved for issue under options

For details of shares reserved for issue on conversion of optionally convertible debentures, refer note 10.

9 Other equity

	March 31, 2024	March 31, 2023
Reserves and surplus		
Retained earnings		
Balance at the beginning of the year		(9,003.54)
Transferred to debenture redemption reserve during the year	4,016.64	(1,150.00)
Total comprehensive income/(loss) for the year	(1,588.29)	13,020.18
Balance at the end of the year	1,278.35	4,016.64
Debenture Redemption Reserve		
Balance at the beginning of the year	-	-
Transferred to debenture redemption reserve during the year	1,150.00	-
Balance at the end of the year	1,150.00	-
Total other equity	2,428.35	4,016.64

Nature and purpose of reserves:

1. Debenture Redemption Reserve

The Company has issued redeemable non-convertible debentures. Accordingly, as per the Companies (Share capital and Debentures) Rules, 2014 (as amended), the Company has created debenture redemption reserve out of profits of the Company available for payment of dividend.

2. Retained earnings

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

10 Borrowings

a. Non-current borrowings

Secured

From others

Nil (March 31, 2023 - 47,375 Lakhs) Class A optionally convertible debentures of Rs 100/- each	-	4,737.50
Nil (March 31, 2023 - 142,125 lakhs) Class B optionally convertible debentures of Rs 100/- each	-	14,212.50
	-	18,950.00

b. Current borrowings

Secured

47,375 Lakhs (March 31, 2023 - Nil) Class A optionally convertible debentures of Rs 77.50/- each
1,150 (March 31, 2023 Nil) Unlisted redeemable non convertible debentures of Rs 10,00,000/- each

	3,671.56	-
	11,385.00	-

Unsecured

Loans repayable on demand

From related parties (refer Note 20)

	-	728.02
	15,056.56	728.02
	15,056.56	19,678.02

(i) Optionally Convertible Debentures

a. The Company had issued Class A and Class B optionally convertible debentures, which are redeemable upon completion of the 10th anniversary of the relevant issuance date of such debenture during FY 2016 and FY 2017. The debenture agreement also provides for redemption by the Company out of project remainder amount upon compliance with certain terms and conditions as provided in the debenture agreement. The effective interest rate is 10% per annum.

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

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

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

During the year ended March 31, 2024, the board of directors vide resolution dated March 28, 2024 approved the complete redemption of both Class A and Class B debentures. Accordingly, upon settlement of debenture arrangement, the Company has fully redeemed the Class B optionally convertible debentures on March 28, 2024 and Class A debentures on April 06, 2024.

(ii) Non-Convertible Debentures

Details of nature of security, guarantees given and repayment terms of borrowings

Category of loan	March 31, 2024	March 31, 2023	Effective interest rate	Maturity	Repayment details	Nature of security
Current borrowings:						
Secured unlisted non-convertible debentures	11,385.00	-	12.50% p.a.	Repayable by 2026-27	4 installments	a) Underlying project inventory project receivables/collectibles b) Pledge of share of the Company

(iii) Loans repayable on demand

Loans from related parties are interest free and repayable on demand. During the year ended March 31, 2024, these loans are fully repaid.

Note 1: Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are

Inventories

Trade receivables

	March 31, 2024	March 31, 2023
Inventories	24,470.08	22,817.84
Trade receivables	1,256.40	-

Note 2:

a. The above loans were applied for the purpose for which such loans were obtained. Also, the Company has not defaulted in repayment of the above loans and interest thereon.

b. The Company has not filed any quarterly returns/statements with banks or financial institutions during the year for its current borrowings.

c. Funds raised on short-term basis have been used for long-term purposes by the Company.



	March 31, 2024	March 31, 2023
11 Provisions		
Current		
Provision for onerous contracts	982.78	-
	<u>982.78</u>	<u>-</u>

Provision for onerous contracts: Represents provision made towards contracts in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected. It is anticipated that these costs will be incurred in the next financial year. Following is the movement in provision for onerous contracts.

Movement in provisions:

Opening balance	-	-
Additions/(reversal)	982.78	-
Closing balance	<u>982.78</u>	<u>-</u>

12 Trade payables

Trade payables

- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro and small enterprises		
Payable to related parties (refer note 20)	39.86	40.15
Payable to others	692.91	832.62
	<u>732.77</u>	<u>872.77</u>

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

Trade payables Ageing Schedule

As at 31 March 2024

	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	538.55	5.03	35.64	153.55	732.77
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
	<u>538.55</u>	<u>5.03</u>	<u>35.64</u>	<u>153.55</u>	<u>732.77</u>

As at 31 March 2023

	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	682.58	35.64	12.64	141.91	872.77
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
	<u>682.58</u>	<u>35.64</u>	<u>12.64</u>	<u>141.91</u>	<u>872.77</u>

13 Other financial liabilities

Current

Security Deposits	-	118.61
	<u>-</u>	<u>118.61</u>

14 Other current liabilities

Advances received from customers	10,414.07	-
Statutory dues payable	30.05	94.86
	<u>10,444.12</u>	<u>94.86</u>



	March 31, 2024	March 31, 2023
15 Other income		
Interest on Financial Assets		
Interest on Bank deposits	16.84	-
Liability no longer required written back*	2,104.53	-
Miscellaneous income	60.17	-
	2,181.54	-
<p>*During the year ended March 31, 2024, the board of directors vide resolution dated March 28, 2024 approved the complete redemption of both Class A and Class B debentures. Accordingly, the Company has fully redeemed the Class B optionally convertible debentures on March 28, 2024 and Class A debentures on April 06, 2024. On settlement of debentures at principal value without any interest, the Company has recorded the excess of carrying value of debenture liability over the agreed settled amount as 'liability no longer required written back' under other income.</p>		
16 (Increase)/ decrease in work-in-progress		
Inventory at the beginning of the year		
Work-in-Progress	22,817.84	26,988.61
Less: Inventory written off upon revision in project plan included under "exceptional items"	-	(5,464.23)
Inventory at the end of the year		
Work-in-Progress	24,470.08	22,817.84
	(1,652.24)	(1,293.46)
17 Finance costs		
Interest on financial liabilities		
- Borrowings	2,269.22	4,053.47
Bank charges	3.13	0.01
	2,272.35	4,053.48
18 Other expenses		
Travel and conveyance	27.06	3.99
Repairs and maintenance	32.97	13.29
Power & Fuel	12.82	-
Legal and professional charges (refer note below)	276.26	1,199.74
Rates and taxes	70.31	30.58
Security charges	16.34	11.21
Communication costs	1.14	1.09
Printing and stationery	1.17	0.27
Advertising and sales promotion	405.12	-
Provision for onerous contracts	982.78	-
Miscellaneous expenses	0.10	1.16
	1,826.07	1,261.33
Note:		
*Payment to auditors [included in legal and professional charges]		
As auditor		
Audit fee	10.00	10.00
Reimbursement of expenses	0.50	0.50
	10.50	10.50
Note: Corporate Social Responsibility		
The Company has evaluated the compliance with Section 135 of the Companies Act with respect to Corporate social responsibility ('CSR') and concluded that CSR contribution is not applicable for the financial year ended March 31, 2024.		
19 Exceptional items - expense/(income)		
Interest accrued written back	-	(23,650.75)
Inventory written off	-	5,464.23
Supplier advances written off	-	1,000.00
	-	(17,186.52)

Note: The Company, the holding company and the ultimate holding company had entered into a debenture investment agreement with a third party investor for development of a real estate project by the Company. The holding company and the investor (collectively, the debenture holders) had subscribed to debentures aggregating to Rs 18,950 lakhs. Further, the Company, basis the evaluation of the terms of such agreement and the projected project surplus, had accounted for interest obligation. Upon revision in project plan and projected remaining surplus thereon as approved by the Board of Directors of the Company, the Company reassessed the projected remaining surplus (present value) and considering that the projected remaining surplus is sufficient to only pay the principal amount of debentures, the Company has written back the accumulated interest payable on debentures of Rs 23,651 lakhs during the year ended March 31, 2023. Further, the Company also reassessed the net realisable value of the inventory pursuant to change in project plan and has accordingly recorded an inventory loss of Rs 5,464 lakhs and write off of supplier advance of Rs 1,000 lakhs during the year ended March 31, 2023.



20 Related party transactions

(i) List of related parties

Holding company

Provident Housing Limited

Effective March 28, 2024, Provident Housing Limited has acquired 100% control in the Company and thereby the Company has become a wholly-owned subsidiary of Provident Housing Limited as at March 31, 2024.

Ultimate holding company

Puravankara Limited

Key management personnel ('KMP') - Directors

Ashish Ravi Puravankara

Jasbir Ashish Puravankara

Lakshmi pathi Chockalingam - till March 28, 2024

Bhavinkumar Nagraj Jain - till March 28, 2024

Other related parties

Company having joint control over the Company

ASK Real Estate Special Opportunities Fund II - till March 28, 2024

Entities controlled by Key management personnel

Handiman Services Limited

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

Nature of transaction	Holding Company / Ultimate holding company		Other related parties	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Long term borrowings				
Provident Housing Limited	3,671.56	4,737.50	-	-
ASK Real Estate Special Opportunities Fund II	-	-	-	14,212.50
Short term borrowings				
Provident Housing Limited	-	728.02	-	-
Dues to				
Provident Housing Limited	39.44	20.66	-	-
Puravankara Limited	0.42	17.33	-	-
Handiman Services Limited	-	-	-	2.18

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

Nature of transaction	Holding Company / Ultimate holding company		Other related parties	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Interest on Borrowings - Optionally convertible debentures				
Provident Housing Limited	438.15	993.13	-	-
ASK Real Estate Special Opportunities Fund II	-	-	1,282.90	3,060.34
Interest on Borrowings - Unsecured Loans				
Provident Housing Limited	548.17	-	-	-
Liability no longer required written back				
Provident Housing Limited	438.15	5,706.98	-	-
ASK Real Estate Special Opportunities Fund II	-	-	1,666.39	17,943.77
Redemption of optionally convertible debentures				
Provident Housing Limited	1,065.94	-	-	-
ASK Real Estate Special Opportunities Fund II	-	-	13,829.02	-
Loans taken				
Provident Housing Limited	414.97	5.03	-	-
Loans repaid to				
Provident Housing Limited	1,691.17	200.03	-	-
Puravankara Limited	-	0.68	-	-
Legal and professional charges				
Puravankara Limited	-	11.26	-	-
Advertising and sales promotion				
Provident Housing Limited	225.39	-	-	-
Security charges				
Handiman Services Limited	0.69	-	-	11.21
Reimbursement of expenses by the company				
Provident Housing Limited	74.76	-	-	-

(iv) Other information

1. Outstanding balances as at the year end (except borrowings, terms of which are detailed in Note 10) are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivable or payables, other than those disclosed above. The Company has not recorded any provision/write off receivables relating to amounts owed by related parties.

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



21 Fair value measurements

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

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

- > The management assessed that the carrying values of cash and cash equivalents, trade receivable, trade payables and other financial assets and liabilities (as listed below) approximate their fair values largely either due to their short-term maturities
- > The management assessed that the carrying values of borrowings and other financial assets and liabilities approximate their fair values based on cash flow discounting using parameters such as interest rates, tenure of instrument, creditworthiness of the customer and the risk characteristics of the financed project, as applicable

These financial assets and financial liabilities as summarised below are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs as explained above. There have been no transfers between levels during the year.

Break up of financial assets/liabilities carried at amortised cost:

	Notes	March 31, 2024	March 31, 2023
Financial assets :			
Trade receivables	6	1,256.40	-
Cash and cash equivalents	7	3,370.78	412.23
		<u>4,627.18</u>	<u>412.23</u>
Financial liabilities :			
Non Current Borrowings	10a	-	18,950.00
Current Borrowings	10b	15,056.56	728.02
Trade payables	12	732.77	872.77
Other financial liabilities	13	-	118.61
		<u>15,789.33</u>	<u>20,669.40</u>

22 Financial risk management

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

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

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

a. Credit risk

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

Credit risk management

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

With respect to trade receivable, the company has constituted teams to review the receivable on periodic basis and to take necessary mitigations, whenever required.

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The recoverability of trade receivables is considered good as the handover/possession of residential units to the customers in case of real estate arrangements is not processed till the time the Company collects the entire receivables. Accordingly, the Company does not have any loss allowance based on historical life time credit loss experience and forward looking factor as detailed above.

b. Liquidity risk

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

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



23 Financial risk management (continued)

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts

<u>31 March 2024</u>	On demand	Less than 1 year	1 years to 2 years	2 years and above	Total
Current borrowings	-	5,120.88	1,437.50	12,279.99	18,838.37
Trade payable	-	732.77	-	-	732.77
<u>31 March 2023</u>	On demand	Less than 1 year	1 years to 2 years	2 years and above	Total
Non-current borrowings*	-	-	-	23,665.95	23,665.95
Current borrowings	728.02	-	-	-	728.02
Trade payable	-	872.77	-	-	872.77

*including interest expected to be paid over the balance maturity period

c. **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real-estate risk.

Interest rate risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in interest rate. The entity's exposure to the risk of changes in interest rates relates primarily to the entity's operating activities (when receivables or payables are subject to different interest rates) and the entity's net receivables or payables.

The Company is affected by the price volatility of certain commodities/ real estate. Its operating activities require the ongoing development of real estate. The Company's management has developed and enacted a risk management strategy regarding commodity/ real estate price risk and its mitigation. The Company is subject to the price risk variables, which are expected to vary in line with the prevailing market conditions.

Interest rate sensitivity:

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's borrowing is as below:

	March 31, 2024	March 31, 2023
Interest bearing borrowing	15,056.56	18,950.00
Interest free borrowing	-	728.02

24 **Capital Management**

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

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

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

Particulars	March 31, 2024	March 31, 2023
Non-current borrowings	-	18,950.00
Current borrowings	15,056.56	728.02
Less: Cash and cash equivalents	3,370.78	412.23
Net debt	11,685.78	19,265.79
Total equity	2,429.35	4,017.64
Gearing ratio	4.81	4.80

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



25 Financial Ratios

a		Ratio		
Numerator		Current ratio		
Denominator		Current Assets		
		Current Liabilities		
Ratios/Measures		March 31, 2024	March 31, 2023	
Current Assets (A)		29,334.18	23,554.90	
Current Liabilities (B)		27,216.23	1,814.26	
Current Ratio (C) = (A) / (B)		1.08	12.98	
% of change from previous year		-91.70%		
The ratio has been changed mainly due to increase in current liabilities compared to previous year				
b		Ratio		
Numerator		Debt Equity ratio		
Denominator		Total Debt		
		Shareholder's Equity		
Ratios/Measures		March 31, 2024	March 31, 2023	
Total Debt (A)		15,056.56	19,678.02	
Shareholder's Equity (B)		2,429.35	4,017.64	
Debt Equity ratio (C) = (A) / (B)		6.20	4.90	
% of change from previous year		26.54%		
The ratio has been changed mainly due to reduction in equity during the year				
c		Ratio		
Numerator		Debt Service Coverage ratio		
Denominator		Earnings available for debt service		
		Debt service		
Ratios/Measures		March 31, 2024	March 31, 2023	
Profit/(Loss) before tax (A)		(1,588.29)	13,020.18	
Add Non cash operating expenses and finance cost (B)				
Finance costs		2,272.35	4,053.48	
Exceptional items		-	(17,186.52)	
Earnings available for debt services (C) = (A)+(B)		684.06	(112.86)	
Finance costs paid (D)		118.13	498.63	
Repayment of borrowings (E)		16,586.13	200.71	
Debt service (F) = (D) + (E)		16,704.26	699.34	
Debt service coverage ratio (G) = (C) / (F)		0.04	-0.16	
% of change from previous year		-125.38%		
The ratio has changed mainly due to repayment of borrowings in the current year and increase in earnings available for debt services				
d		Ratio		
Numerator		Return on equity ratio		
Denominator		Profit after tax		
		Average shareholders' equity		
Ratios/Measures		March 31, 2024	March 31, 2023	
Profit/(Loss) after tax (A)		(1,588.29)	13,020.18	
Closing Shareholders Equity (B)		2,429.35	4,017.64	
Average shareholder's equity [(Opening + Closing)/2] C		3,223.50	(2,492.45)	
Return on equity ratio (D) = (A) / (C) *		-0.49	-5.22	
% of change from previous year		-90.57%		
The ratio has changed mainly due to loss for the year and change in average shareholders' equity compared to previous year				
e		Ratio		
Numerator		Trade payable turnover ratio		
Denominator		Total purchases		
		(subcontract cost and other expenses)		
		Average trade payables		
Ratios/Measures		March 31, 2024	March 31, 2023	
Total purchases		3,149.72	1,406.32	
Closing trade payables (B)		732.77	872.77	
Average Trade Payables [(opening + closing) /2] (B)		802.77	551.71	
Trade payables turnover ratio (C) = (A) / (B)		4.30	1.61	
% of change from previous year		166.76%		
The ratio has changed mainly due to increase in purchases in the current year				



f	Ratio	
	Numerator	Return on capital employed
	Denominator	Earning before interest and taxes Capital Employed

Ratios/Measures	March 31, 2024	March 31, 2023
Profit/(Loss) after tax (A)	(1,588.29)	13,020.18
Adjustments -		
Add: Total tax expenses (B)	-	-
Add: Finance cost (C)	2,272.35	498.63
Earnings before interest and tax (D) = (A) + (B) + (C)	684.06	13,518.81
Total Equity (E)	2,429.35	4,017.64
Total borrowings (F)	15,056.56	19,678.02
Capital Employed (G) = (E) + (F)	17,485.91	23,695.66
Return on capital employed (G) = (D) / (G)	0.04	0.57
% of change from previous year	-93.14%	

The ratio has changed mainly due to loss for the year and decrease in borrowings compared to previous year.

Notes :

Inventory turnover ratio, Net capital turnover ratio, Trade receivable turnover ratio, Net profit ratio and Return on investment are not applicable to the Company.

26 Other Statutory Information

- (i) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) The Company does not have any transactions with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Cryptocurrency transactions or Virtual Currency during the financial year.
- (v) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vi) No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (viii) The Company is not a declared wilful defaulter by any bank or financial institution or any other lender.



27 Commitments and contingencies

a. Commitments

(i) As at March 31, 2024, the Company did not have any contracts remaining to be executed on capital account that were not provided for (March 31, 2023 - Rs Nil)

b. Contingent liabilities

	March 31, 2024	March 31, 2023
(a) Contingent liabilities towards pending litigations related to disputed dues of		
- Income Tax	1,063.60	1,063.60

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

28 Segmental information

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

The Company is domiciled in India and all the non-current assets of the Company are located in India.

	March 31, 2024	March 31, 2023
29 Unhedged foreign currency exposure	Nil	Nil

30 The Company has defined process to take daily back-up of books of account in electronic mode on servers physically located in India.

Further, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software, except that audit trail feature is not enabled for certain changes made, if any, using privileged/ administrative access rights to the SAP S/4 HANA application and the underlying database. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software.

The management is taking steps to ensure that the books of account are maintained as required under the applicable statute.

31 Revenue from contracts with customers:

31.1 Contract balances

	March 31, 2024	March 31, 2023
Trade receivables	1,256.40	-
Contract liabilities - deferred revenue	10,414.07	-

Trade receivables are generally on credit terms of upto 30 days. The increase in trade receivables is primarily on account of increase in operations.

Contract liabilities represents transaction price allocated to unsatisfied performance obligations. The outstanding balances of these accounts have increased primarily on account of increase in billings for the project.

31.2 Performance obligations

Aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the reporting period *

Revenue to be recognised at a point in time	17,966.08	-
Revenue to be recognised over time	-	-

* The entity expects to satisfy the performance obligations when (or as) the underlying real estate projects to which such performance obligations relate are completed. Such real estate projects are in various stages of development and are expected to be completed in the coming periods of upto four years.

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

	March 31, 2024	March 31, 2023
Inventories		
- Work-in-progress	14,374.62	-
Prepaid expenses (represents brokerage costs pertaining to sale of real estate units)	306.20	-



Purva Good Earth Properties Private Limited
CIN: U45201KA2007PTC042436
Notes to Financial Statements for the year ended March 31, 2024
(All amounts in Rs. Lakhs, unless otherwise stated)

32 Standards issued but not yet effective
There are no standards that are notified and not yet effective as on the date

As per our report of even date

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

per Sudhir Kumar Jain
Partner
Membership no. 213157



Bengaluru
May 20, 2024

For and on behalf of the Board of Directors of
Purva Good Earth Properties Private Limited
CIN: U45201KA2007PTC042436

Ashish R Puravankara
Director
DIN 00504524

Jasbir Ashish Puravankara
Director
DIN 01918184

Bengaluru
May 20, 2024

