

**PAVUROTTI REAL ESTATE PRIVATE LIMITED**

**Audited Financial Statements for the Year Ended 31st March, 2019**

**Amit Desai & Co**

Chartered Accountants

36 Sunbeam Apartments,

3A Pedder Road, Mumbai 400 026.

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## INDEPENDENT AUDITOR'S REPORT

To the Members of PAVUROTTI REAL ESTATE PRIVATE LIMITED

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of PAVUROTTI REAL ESTATE PRIVATE LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of profit and loss (including Other Comprehensive Income), the cash flow statement and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 opinion.



### **Other Information**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual 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 the 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 and Those Charged with Governance for the Financial Statements**

The Company's management and Board of Directors are 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 state of affairs (financial position), profit/loss and other comprehensive income (financial performance), changes in equity and cash flows 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. 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 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 and Board of Directors are 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 system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. The Company has not paid or provided any managerial remuneration during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The balance sheet, the statement of profit and loss(including other comprehensive income), the statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;



- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position;
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
  - (iv) The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

For Amit Desai & Co

Chartered Accountants

ICAI Firm Reg. No.: 130701W

(Amit N. Desai)

Partner

Membership No. 032926



Mumbai: May 27, 2019



**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **PAVUROTTI REAL ESTATE PRIVATE LIMITED** on the financial statements for the year ended 31<sup>st</sup> March, 2019]

- (i) The Company does not have any item of property, plant and equipment; therefore provisions of Paragraph 3(i) of the Order are not applicable to the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 189 of the Act, hence the provisions of Paragraph 3 (iii) of the Order are not applicable to the Company.
- (iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 of the Act. Further, the provisions of Section 186 the Act are not applicable to the Company as it is engaged in the business of Real Estate.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government of India has not prescribed the maintenance of cost records under Sub-Section (1) of Section 148 of the Act for any of the activities of the Company.
- (vii)
  - (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it and according to the information and explanations given to us, no undisputed amounts payable in respect of including provident fund, employees' state insurance, income tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.



- (b) According to the information and explanation given to us, there are no dues with respect to income tax, sales tax, service tax, duty of customs, duty of excise, value added tax which have not been deposited on account of any dispute.
- (viii) The Company does not have any loans or borrowings from any financial institutions, banks, and Government during the year. The Company has not defaulted in repayment of dues to debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Hence the provisions of Paragraph 3(ix) of the Order are not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) The Company has not paid or provided any managerial remuneration; hence the provisions of Paragraph 3 (xi) of the Order are not applicable to the Company.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of Paragraph 3(xii) of the Order are not applicable to the Company.
- (xiii) As per the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Section 177 and 188 of Act, where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of Paragraph 3(xiv) of the Order are not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of Paragraph 3(xv) of the Order are not applicable to the Company.





(xvi) Based on the information and explanation given to us the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Amit Desai & Co

Chartered Accountants

ICAI Firm Reg. No.: 130710W

  
(Amit N. Desai)

Partner

Membership No. 032926



Mumbai: May 27, 2019

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

In conjunction with our audit of the financial statements of **PAVUROTTI REAL ESTATE PRIVATE LIMITED** ("the Company") as of and for the year ended 31<sup>st</sup> March, 2019, we have audited the internal financial controls over financial reporting ("IFCoFR") of the Company of as of that date.

**MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's Board of Directors 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 (the "Guidance Note") 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 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.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.



## MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

## INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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


## OPINION

In our opinion, the Company has, in all material respects, an adequate IFCoFR and such IFCoFR were operating effectively as at 31 March 2019, based on the IFCoFR criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of IFCoFR issued by the ICAI.

For Amit Desai & Co

Chartered Accountants

ICAI Firm's Reg. No.: 130710W

  
(Amit N. Desai)

Partner

Membership No.: 032926



Mumbai: May 27, 2019

**PAVUROTTI REAL ESTATE PRIVATE LIMITED**

**CIN No. U70100MH1995PTC084292**

**Balance Sheet As At 31st March, 2019**

(Amount in Lacs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>I. ASSETS</b>			
<b>Current Assets</b>			
(a) Inventories	2	-	8,087.32
(b) Financial Assets			
Cash and Cash Equivalents	3	139.60	1.42
Loans	4	101.24	3.75
(c) Other Assets	5	100.00	8.49
<b>Total Current Assets</b>		<b>340.84</b>	<b>8,100.99</b>
<b>TOTAL ASSETS</b>		<b>340.84</b>	<b>8,100.99</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	6	10.00	10.00
(b) Other Equity	7	22.84	(22.39)
<b>Total Equity</b>		<b>32.84</b>	<b>(12.39)</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
Borrowings	8	222.15	7,860.51
Trade Payable -Micro and Small Enterprises	9	-	-
Other Trade Payables	9	1.75	2.12
(b) Other Current Liabilities	10	84.10	250.76
<b>Total Current Liabilities</b>		<b>308.00</b>	<b>8,113.38</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>340.84</b>	<b>8,100.99</b>
Significant Accounting Policies	1		
The accompanying notes are an integral part of these financial statements	1 - 16		

As Per Our Report of Even Date

For **Amit Desai & Co**

Chartered Accountants

ICAI Firm Reg. No.: 130710W

*Amit Desai*

(Amit N. Desai)

Partner

Membership No.: 032926

Date : 27th May, 2019.

Place: Mumbai



For and on behalf of Board of Directors

*Girish Pai*

Girish Pai

Director

DIN No.: 00935795

Date : 27th May, 2019.

Place: Mumbai

*Dinesh R. Jain*

Dinesh R. Jain

Director

DIN No.: 00059913

*K.K. Tambawala*

Kayedzohar K. Tambawala

Director

DIN No.: 00402902

**PAVUROTTI REAL ESTATE PRIVATE LIMITED**  
**CIN No. U70100MH1995PTC084292**  
**Statement of Profit & Loss For The Year Ended 31st March, 2019**

(Amount in Lacs)

Particulars	Note No.	For The Year Ended 31st March, 2019	For The Year Ended 31st March, 2018
<b>Income:</b>			
Land Sales	11	10,000.00	-
<b>Total Revenue</b>		<b>10,000.00</b>	<b>-</b>
<b>Expenses:</b>			
Cost of Land Sales	12	9,780.84	-
Finance Costs	13	0.02	0.02
Other Expenses	14	161.43	2.56
<b>Total Expenses</b>		<b>9,942.29</b>	<b>2.58</b>
<b>Profit / (Loss) Before Exceptional Items and Tax</b>		<b>57.71</b>	<b>(2.58)</b>
Exceptional Items		-	-
<b>Profit/(Loss) Before Tax</b>		<b>57.71</b>	<b>(2.58)</b>
Tax Expenses			
- Current Tax		12.48	-
- Deferred Tax		-	-
Total Tax Expenses		12.48	-
Profit/(Loss) After Tax for the Year ( A )		45.23	(2.58)
Other Comprehensive Income for the Year ( B )		-	-
<b>Total Comprehensive Income for the Year ( A + B )</b>		<b>45.23</b>	<b>(2.58)</b>
Earnings Per Equity Share:			
- Basic (in Rs.)		45.23	(2.58)
- Diluted (in Rs.)		45.23	(2.58)
Significant Accounting Policies	1		
The accompanying notes are an integral part of these financial statements	1 - 16		

As Per Our Report of Even Date

For **Amit Desai & Co**

Chartered Accountants

ICAI Firm Reg. No.: 130710W

*Amit N. Desai*

**(Amit N. Desai)**

Partner

Membership No : 032926



For and on behalf of Board of Directors

*Girish Pai*

**Girish Pai**

Director

DIN No.: 00935795

*Dinesh R. Jain*

**Dinesh R. Jain**

Director

DIN No. : 00059913

*K. K. Tambawala*

**Kayedzohar K. Tambawala**

Director

DIN No.: 00402902

Date : 27th May, 2019.

Place: Mumbai

Date : 27th May, 2019.

Place: Mumbai

**PAVUROTTI REAL ESTATE PRIVATE LIMITED**  
**Statement of Changes in Equity for the Year Ended March 31, 2019**

**(A) Equity Share Capital**

(Amount In Lacs)

Particulars	Note No.	Amount
As at 1st April, 2017	3	10.00
Changes in equity share capital during the year		-
As at 31st March, 2018		10.00
Changes in equity share capital during the year		-
As at 31st March, 2019		10.00

**(B) Other Equity**

(Amount In Lacs)

Particulars	Reserve & Surplus		
	Retained Earnings	Other Comprehensive Income	Total
Balance as at April 01, 2017	(19.81)	-	(19.81)
Profit / (Loss) for the Year	(2.58)	-	(2.58)
Other Comprehensive Income for the Year	-	-	-
<b>Total Comprehensive Income for the Year</b>	(2.58)	-	(2.58)
Balance as at March 31, 2018	(22.39)	-	(22.39)
Profit / (Loss) for the Year	45.23	-	45.23
Other Comprehensive Income for the Year	-	-	-
<b>Total Comprehensive Income for the Year</b>	45.23	-	45.23
Balance as at March 31, 2019	22.84	-	22.84

As Per Our Report of Even Date

For and on behalf of Board of Directors

For Amit Desai & Co

Chartered Accountants

ICAI Firm Reg. No.: 130710W

*Amit N. Desai*

(Amit N. Desai)

Partner

Membership No. 032926

Date : 27th May, 2019.

Place: Mumbai



Girish Pai

Director

DIN No.: 00935795

Date : 27th May, 2019.

Place: Mumbai

*Girish Pai*

*Dinesh R. Jain*

Dinesh R. Jain

Director

DIN No. : 0000059913

Ashish K. Kapadia

Director

DIN No. : 0002011632



**PAVUROTTI REAL ESTATE PRIVATE LIMITED**

**CIN No. U70100MH1995PTC084292**

**Cash Flow Statement For the Year Ended 31st March, 2019**

(Amount in Lacs)

	Particulars	For The Year Ended	
		31st March, 2019	31st March, 2018
<b>I</b>	<b><u>Cash Flow from Operating Activities</u></b>		
	Loss Before Tax	57.71	(2.58)
	<u>Adjustments for:</u>		
	Finance Costs	0.02	0.02
	<b>Operating Loss Before Working Capital Changes</b>	57.73	(2.56)
	<u>Adjustments For :</u>		
	Inventories	8,087.32	(794.30)
	Loans & Advances	(91.51)	(1.19)
	Other Current Assets	(97.49)	(3.75)
	Trade Payables	(0.37)	(3.98)
	Others Liabilities	(166.66)	(0.90)
	<b>Cash Generated from / (Used in) Operations</b>	7,789.03	(806.68)
	Taxes Paid (Net of Refund)	(12.48)	-
	<b>Net Cash Flow From / (Used in) Operating Activities</b>	<b>(A) 7,776.55</b>	<b>(806.68)</b>
<b>II</b>	<b><u>Cash Flow From Investing Activities</u></b>		
	<b>Net Cash Flow from Investing Activities</b>	<b>(B) -</b>	<b>-</b>
<b>III</b>	<b><u>Cash Flow From Financing Activities</u></b>		
	Finance Costs	(0.02)	(0.02)
	Net Proceeds form Borrowings	(7,638.36)	805.89
	<b>Net Cash Flow from Financing Activities</b>	<b>(C) (7,638.38)</b>	<b>805.86</b>
	<b>Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>(D = A + B + C) 138.17</b>	<b>(0.81)</b>
	<b>Cash &amp; Cash Equivalents as at Beginning of the Year</b>	<b>1.43</b>	<b>2.24</b>
	<b>Cash &amp; Cash Equivalents as at End of the Year</b>	<b>139.60</b>	<b>1.43</b>

The accompanying notes are an integral part of these financial statements

- 1) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.
- 2) Previous year figures have been regrouped, rearranged or reclassified wherever necessary to conform to the current year's classifications.

As Per Our Report of Even Date

For **Amit Desai & Co**

Chartered Accountants

ICAI Firm Registration No.: 130710W

*A. Desai*

**(Amit N. Desai)**  
Partner

Membership No.: 032926



For and on behalf of Board of Directors

*Girish Pai*  
**Girish Pai**  
Director  
DIN No.: 00935795

*Dinesh R. Jain*  
**Dinesh R. Jain**  
Director  
DIN No. : 0000059913

*K.K. Tambawala*

**Kayedzohar K. Tambawala**  
Director  
DIN No. : 0000402902

Date : 27th May, 2019.

Place: Mumbai

Date : 27th May, 2019.

Place: Mumbai

## PAVUROTTI REAL ESTATE PRIVATE LIMITED

### Notes forming part of the Financial Statements.

#### 1 Significant Accounting Policies

##### I. Basis of Preparation of Financial Statements

- a. The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified under section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules 2015 (as amended from time to time).
- b. The financial statements are prepared on a historical cost basis, except for:
  - (i) Certain financial assets and liabilities that are measured at fair value (refer accounting policy regarding financial instruments).
  - (ii) Defined benefit plans – plan assets measured at fair value
  - (iii) Land and Buildings classified as property, plant and equipment
  - (iv) Derivative financial instruments
  - (v) Contingent Consideration
  - (vi) Non-cash distribution liability
- c. **Current / 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 realised 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 treated as 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 its settlement for atleast twelve months after the reporting period.

All other liabilities are classified as non-current.

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



The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The normal operating cycle in respect of a real estate project under development depends on various factors like signing of sale agreements, size of the project, phasing of the project, type of development, project-specific complexities, technical and engineering factors, statutory approvals needed and the realization of the project receivables into cash & cash equivalents. Based on these factors, the normal operating cycle is generally in the range of 3 to 7 years. Accordingly project related assets & liabilities are classified as current and non-current based on operating cycle of the respective projects. All other assets and liabilities are classified as current or non-current based on an operating cycle of twelve months.

**d. Functional and Presentation Currency**

The financial statements are presented in Indian Rupee ("INR") which is also the functional currency of the Company. All values are rounded off to the nearest lakh or fraction thereof up to two decimals, except where otherwise indicated.

**II Use of accounting judgements, assumptions and estimates**

The preparation of financial statements in conformity with recognition and measurement principles of Ind AS requires the management to make judgements, assumptions and estimates that affect the reported amounts of revenues, expenses, assets and liabilities and accompanying disclosures and the disclosure of contingent liabilities. They are based on historical experience and other factors, including expectations of future events that may have financial impact on the Company and are believed to be prudent and reasonable. Further, the Company bases its assumptions and estimates on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions and estimates as and when they occur. Uncertainty about the assumptions and estimates could result in outcomes that require material adjustments in future periods to the carrying amount of assets and liabilities and the results of future periods could be affected due to changes in these assumptions and estimates. The differences between the actual results and the estimates are recognized in the periods in which the results are known or materialize. Following are the key areas of judgements, assumptions and estimates which have significant effect on the amounts recognized in the financial statements:

**a. Revenue from contracts with customers :**

IND AS 115 - Revenue from Contracts with Customers has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and is effective from accounting period beginning on or after April 01, 2018. The Company has applied full retrospective approach in adopting the new standard (for all contracts other than completed contracts). Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally



concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer

**b. Estimation of Net Realisable Value (NRV) for inventory property**

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

NRV of completed or developed inventory property is assessed by reference to market conditions, prices and trends existing at the reporting date and is determined by the company based on comparable transactions observed /identified for similar properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory property under development is assessed with reference to market prices and trends existing at the reporting date for similar completed property, less the estimated cost to complete construction and an estimate of the time value of money to the date of completion.

**c. Impairment of other 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 fair value less costs of disposal and its value in use. When the carrying amount of an asset 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 assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators. Goodwill is tested for impairment at the end of each reporting period and is not subject to amortisation.

**d. Impairment of Financial Assets**

The impairment provisions for financial assets are based on assumptions about the risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs for impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**e. Useful life and residual value of Property, Plant and Equipment and Intangible Assets**

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice. Assumptions also need to be made when the Company assesses whether an asset may be capitalised and which components of the cost of the asset may be capitalised.





**f. Fair Value Measurement of Financial Instruments**

When the fair values of the financial assets and liabilities recorded in the Balance Sheet cannot be measured based on the quoted market prices in active markets, their fair value is measured using valuation technique. The inputs to these models are taken from the observable market wherever possible, but where this is not feasible, a review of judgement is required in establishing fair values. Any changes in assumptions could affect the fair value relating to financial instruments.

**III Measurement of Fair Values**

The Company measures financial instruments, such as investments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Company has an established control framework with respect to the measurement of fair values. The Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the Management assesses the evidence obtained from third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Quoted prices in active markets for identical assets or liabilities.



Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

#### **IV Property, Plant and Equipment & Depreciation**

##### **a. Recognition and Measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- i. its purchase price, including import duties and non refundable purchase taxes after deducting trade discounts and rebates.
- ii. any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management.
- iii. the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.
- iv. Borrowing costs relating to acquisition / construction / development of tangible assets, which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use
- v. Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by Management are recognised in Statement of Profit and Loss. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

##### **b. Subsequent Expenditure**

Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant and Equipment, including repair and maintenance





expenditure and cost of replacing parts are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Expenses incurred for acquisition of capital assets excluding advances paid towards the acquisition of Property, Plant and Equipment outstanding at each Balance Sheet date are disclosed under Capital Work in Progress.

Capital Work in Progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the Statement of Profit and Loss of the Company in the year of disposal.

### **c. Depreciation**

Depreciation is provided from the date the assets are ready to be put to use on straight line method as per the useful life of the tangible assets as prescribed under Part C of Schedule II of the Companies Act, 2013

Depreciation is calculated on a prorata basis from the date of installation / acquisition till the date the assets are sold or disposed.

Depreciable amount for assets is the cost of an asset or amount substituted for cost, less its estimated residual value.

Leasehold improvements are amortised over the period of lease.

The depreciation methods, useful lives and residual values are reviewed periodically.

## **V Foreign Currency Transactions / Translations**

- a. Foreign exchange transactions are recorded at the closing rate prevailing on the dates of the respective transactions or at the contracted rates as applicable.
- b. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date.
- c. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in the statement of profit and loss in the period in which they arise.

## **VI Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.



**a Financial Assets**

**i. Classification**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

**ii. Initial Recognition and Measurement**

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**iii. Subsequent Measurement**

For purposes of subsequent measurement financial assets are classified into two broad categories:

- a. Financial asset at fair value
- b. Financial asset at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

- iv. A financial asset mainly debt that meets the following 2 conditions is measured at amortised cost (net off any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business Model Test** : the objective of the Company's model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- **Cash Flow Characteristics Test**: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest 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.

A financial asset that meets the following 2 conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.



- **Business Model Test** : the financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets.
- **Cash Flow Characteristics Test**: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss and gain or loss on such measurement is recognized in the statement of profit & loss

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different basis.

#### v. **De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either
  - a) the Company has transferred substantially all the risks and rewards of the asset or
  - b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### vi. **Impairment of Financial Asset**

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial asset measured at amortised cost
- Financial asset measured at fair value through other comprehensive income



Expected credit losses are measured through a loss allowance at an amount equal to:

- 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, considering historical trend, industry practices and the business environment in which the Company operates on any other appropriate basis.

The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

## **b. Financial Liabilities**

### **i. Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost or at fair value through Profit and Loss.

### **ii. Initial Recognition and Measurement**

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net off directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

### **iii. Subsequent Measurement**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.



Amortised 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 amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to interest bearing amortized loans and borrowings.

#### **Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is due within 12 months after reporting period. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### **iv. Derecognition**

A financial liability is derecognised 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 recognised in the Statement of Profit and Loss.

#### **Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

### **VII Inventories**

Direct expenditure relating to Real Estate Development activity is inventorized. Other expenditure (including borrowing costs) during construction period is inventorized 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 construction and real estate activity. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received.

- a. **Inventories comprise of:** (i) Finished Realty Stock representing unsold premises in completed projects (ii) Realty Work in Progress representing properties under construction / development including land held for development on which construction activities are yet to commence and (iii) Raw Material representing inventory of materials for use in construction which are yet to be consumed.





- b. Inventories other than Raw Material above are valued at lower of cost and net realisable value. Raw Materials are valued on a weighted average cost basis.
- c. Cost of Realty construction / development is charged to the Statement of Profit and Loss in proportion to the revenue recognised during the period and the balance cost is carried over under Inventory as part of either Realty Work in Progress or Finished Realty Stock. Cost of Realty construction / development includes all costs directly related to the Project (including finance cost attributable to the project) and other expenditure as identified by the Management which are incurred for the purpose of executing and securing the completion of the Project (net off incidental recoveries / receipts) upto the date of receipt of Occupation Certificate of Project from the relevant authorities.

Realty Work in Progress includes cost of land, premium for development rights, construction costs, allocated interest and expenses incidental to the projects undertaken by the Company.

### **VIII Revenue Recognition on contract with customers**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

- a. The Company has adopted Ind AS 115 in respect of its contracts with customers for sale of real estate units and applied the same with full retrospective approach in adopting the new standard (for all contracts other than completed contracts). Accordingly revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. Further, pursuant to the adoption of IND AS 115 the following aspects are recognized :
  - i. Brokerage on sales is treated as customer acquisition costs and recognized as revenue only when the related revenue is recognized
- b. Interest income is accounted on an accrual basis at effective interest rate (EIR method).

### **IX Income Tax**

Income Tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to items recognised directly in Equity or in Other Comprehensive Income.

- a. **Current Tax**





Current Tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities can be offset only if the Company

- (i) has a legally enforceable right to set off the recognised amounts and
- (ii) intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

**b. Deferred Tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects at the reporting date to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- (i) The Company has a legally enforceable right to set off current tax assets against current tax liabilities and
- (ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

**c. Minimum Alternate Tax (MAT)**

Minimum Alternative Tax (MAT) may become payable when the taxable profit is lower than the book profit. Taxes paid under MAT are available as a set off against



regular corporate tax payable in subsequent years, as per the relevant provisions of Income Tax Act. MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward in the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

## **X Borrowing Cost**

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

Borrowing costs allocated to qualifying assets pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the time all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

## **XI Cash and Cash Equivalents**

Cash and cash equivalent as reported in the Balance Sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less which are subject to an insignificant risk of changes in value. However, for the purposes of the Cash Flow Statement, cash and cash equivalents comprise of cash and short term deposits as defined in Ind AS 7.

## **XII Earnings Per Share**

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net off any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.



### **XIII Cash Flow Statement**

Cash Flow Statement is prepared under the "Indirect Method" as prescribed under the Indian Accounting Standard (Ind AS) 7 –Statement of Cash Flows.

Cash and Cash equivalents for the purpose of cash flow statement comprise of cash at bank and in hand and short term investments with original maturity of three months or less.

### **XIV Provisions and Contingent Liabilities**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed for:

- (i) possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Commitments include the amount of purchase order (net off advances) issued to parties for completion of assets.

Contingent Assets are not recognised in Financial Statements. If an inflow of economic benefits has become probable, contingent assets are disclosed.

Contingent Assets are assessed continually to ensure that developments are appropriately reflected in the Financial Statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognised in the Financial Statements of the period in which the changes occurs.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

### **XV Segment Reporting**

Based on the "management approach" as defined in Ind As 108 – Operating Segments, one of the Directors is the Chief Operating Decision Maker (CODM) who is assessing the financial performance and position of the Company and makes strategic decisions.



The Chief Operational Decision Maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The operating segments have been identified on the basis of nature of product / services.

#### **XVI Standards issued but not yet effective**

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements is disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

##### **Ind AS 116 - Leases**

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after 1st April, 2019. It sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Ind AS 116 requires lessees and lessors to make more extensive disclosures than under Ind AS 17. The Company is in the process of evaluating the requirements of the standard and its impact on its financial statements.

##### **Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)**

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in statement of profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.



### **Ind AS 109 – Prepayment Features with Negative Compensation**

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements

### **Ind AS 19 – Plan Amendment, Curtailment or Settlement**

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

### **Ind AS 23 – Borrowing Costs**

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

### **Ind AS 28 – Long-term Interests in Associates and Joint Ventures**

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any such long-term interests in associates and joint ventures.

### **Ind AS 103 – Business Combinations and Ind AS 111 - Joint Arrangements**

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.



**PAVUROTTI REAL ESTATE PRIVATE LIMITED****CIN No. U70100MH1995PTC084292****Notes to the Financial Statements for the Year Ended 31st March, 2019****2 Inventories:**

(Amount in Lacs)

Particulars	As at	As at
	31st March, 2019	31st March, 2018
Realty Stock: Work-in-Progress (Valued at Cost or Net Relisable Value, Whichever is Lower)		
- Land Cost (Acquisition and Other Costs incidental there to)	-	5,307.12
- Development Expenses	-	272.88
- Finance Costs	-	2,507.32
<b>Total</b>	<b>-</b>	<b>8,087.32</b>

**3 Cash and Cash Equivalents:**

(Amount in Lacs)

Particulars	As at	As at
	31st March, 2019	31st March, 2018
Cash & Cash Equivalents		
- Cash Balance	0.01	0.01
- Bank Balance in Current Accounts	139.59	1.41
<b>Total</b>	<b>139.60</b>	<b>1.42</b>

**4 Other Financial Assets**

(Amount in Lacs)

Particulars	As at	As at
	31st March, 2019	31st March, 2018
Other Advances	101.24	3.75
<b>Total</b>	<b>101.24</b>	<b>3.75</b>

**5 Other Current Assets**

(Amount in Lacs)

Particulars	As at	As at
	31st March, 2019	31st March, 2018
Advance with Statutory Authorities	-	8.49
Advance Tax	100.00	-
<b>Total</b>	<b>100.00</b>	<b>8.49</b>





**PAVUROTTI REAL ESTATE PRIVATE LIMITED**

CIN No. U70100MH1995PTC084292

**Notes to the Financial Statements for the Year Ended 31st March, 2019****6 Equity Share Capital:**

(Amount in Lacs)

Particulars	As at	As at
	31st March, 2019	31st March, 2018
<b>Authorised:</b>		
1,00,000 (Previous Year 1,00,000) Equity Shares of Rs.10/- Each	10.00	10.00
Total	10.00	10.00
<b>Issued, Subscribed And Fully Paid-Up:</b>		
1,00,000 (Previous Year 1,00,000) Equity Shares of Rs.10/- Each	10.00	10.00
Total	10.00	10.00

**a) Reconciliation of the Shares at the Beginning and at the End of the Reporting Period**

Equity Shares	As at 31st March, 2018	
	No. of Shares	Rs. In Lacs
At the Beginning of the Year	1,00,000	10.00
Issued During the Year	-	-
Bought Back During the Year	-	-
Outstanding at the End of the Year	1,00,000	10.00

Equity Shares	As at 31st March, 2019	
	No. of Shares	Rs. In Lacs
At the Beginning of the Year	1,00,000	10.00
Issued During the Year	-	-
Bought Back During the Year	-	-
Outstanding at the End of the Year	1,00,000	10.00

**b) Terms/Rights Attached to Equity Shares**

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

**c) Details of Shareholders Holding More Than 5% Shares in the Company**

Equity Shares	As at 31st March, 2018	
	No. of Shares	% of Holding
Jayem Properties Priavte Limited	21,000	21.00
Javed Tapia	23,000	23.00
Peninsula Land Limited - Holding Company	56,000	56.00

Equity Shares	As at 31st March, 2019	
	No. of Shares	% of Holding
Jayem Properties Priavte Limited	21,000	21.00
Javed Tapia	23,000	23.00
Peninsula Land Limited - Holding Company	56,000	56.00

**7 Other Equity**

(Amount in Lacs)

Particulars	As at	As at
	31st March, 2019	31st March, 2018
<b>Retained Earnings</b>		
Opening Balance	(22.39)	(19.81)
(+) (Net Loss) For the Current Year	45.23	(2.58)
Closing Balance	22.84	(22.39)
Total	22.84	(22.39)



**PAVUROTTI REAL ESTATE PRIVATE LIMITED****CIN No. U70100MH1995PTC084292****Notes to the Financial Statements for the Year Ended 31st March, 2019****8 Borrowings (Current)**

(Amount in Lacs)

Particulars	As at	As at
	31st March, 2019	31st March, 2018
<b>Unsecured Borrowings</b>		
From Holding Company	-	6,936.23
(Rate of Interest in 13.60% p.a. (Previous Year 13.60% p.a.))		
From Other Shareholders		
(Rate of Interest in 13.60% p.a. (Previous Year 13.60% p.a.))	220.34	841.27
- Jayem Properties Private Limited	1.81	-
[Rate of Interest 13.60% (Previous Year: 13.60%)]		
- Logical Properties Private Limited	-	83.00
[Rate of Interest 13.60% (Previous Year: 13.60%)]		
<b>Terms of Above Loans:</b>		
The above loans are repayable on demand.		
<b>Total</b>	<b>222.15</b>	<b>7,860.51</b>

**9 Trade Payables:**

(Amount in Lacs)

Trade Payables	As at	As at
	31st March, 2019	31st March, 2018
- Micro, Small and Medium Enterprises	-	-
- Others	1.75	2.12
<b>Total</b>	<b>1.75</b>	<b>2.12</b>

Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006.

Company has sent letters to suppliers to confirm whether they are covered under Micro, Small and Medium Enterprises Development Act 2006 as well as whether they have file required memorandum with the prescribed authorities.

Based on the confirmation received, if any, the details of outstanding are as under:

(Amount in Lacs)

Particulars	As at	As at
	31st March, 2019	31st March, 2018
The principal amount remaining unpaid at the end of the year	-	-
The interest amount remaining unpaid at the end of the year	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006	-	-



**PAVUROTTI REAL ESTATE PRIVATE LIMITED**

CIN No. U70100MH1995PTC084292

**Notes to the Financial Statements for the Year Ended 31st March, 2019****10 Other Current Liabilities:**

(Amount in Lacs)

Particulars	As at	As at
	31st March, 2019	31st March, 2018
Duties & Taxes	71.62	0.76
Provision for Taxation	12.48	
Advance for Properties	-	250.00
<b>Total</b>	<b>84.10</b>	<b>250.76</b>

**11 Land Sales**

(Amount in Lacs)

Particulars	Year Ended	Year Ended
	31st March, 2019	31st March, 2018
Land Sales	10,000.00	-
<b>Total</b>	<b>10,000.00</b>	<b>-</b>

**12 Cost of Land Sales**

(Amount in Lacs)

Particulars	Year Ended	Year Ended
	31st March, 2019	31st March, 2018
Cost of Land Sales	9,780.84	-
<b>Total</b>	<b>9,780.84</b>	<b>-</b>

**13 Finance Costs:**

(Amount in Lacs)

Particulars	Year Ended	Year Ended
	31st March, 2019	31st March, 2018
Other Costs	0.02	0.02
<b>Total</b>	<b>0.02</b>	<b>0.02</b>

**14 Other Expenses:**

(Amount in Lacs)

Particulars	Year Ended	Year Ended
	31st March, 2019	31st March, 2018
Payments to the Auditors		
- Audit Fees	0.51	0.50
Professional Fees	0.51	0.50
Sales & Marketing Cost	0.91	1.53
Miscellaneous Expenses	160.00	-
	0.02	0.53
<b>Total</b>	<b>161.43</b>	<b>2.56</b>



**A. Accounting classification and fair values****31-Mar-18****(Rs. In Lacs)**

<b>Financial Assets</b>								
Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Cash & Cash Equivalents	-	-	1.42	1.42				
Others	-	-	-	-				
	-	-	1.42	1.42				

**(Rs. In Lacs)**

<b>Financial Liabilities</b>								
Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-Current Liabilities - Borrowings	-	-	-	-				
Current Liabilities - Borrowings	-	-	7,860.51	7,860.51				
Trade Payables	-	-	2.12	2.12				
	-	-	7,862.63	7,862.63				

**31-Mar-19****(Rs. In Lacs)**

<b>Financial Assets</b>								
Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Cash & Cash Equivalents	-	-	139.60	139.60				
Loans	-	-	101.24	101.24				
	-	-	240.84	240.84				

**(Rs. In Lacs)**

<b>Financial Liabilities</b>								
Particulars	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-Current Liabilities - Borrowings	-	-	-	-				
Current Liabilities - Borrowings	-	-	222.15	222.15				
Trade Payables	-	-	1.75	1.75				
	-	-	223.90	223.90				

**B. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

**i. Risk management framework**

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

**ii. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the loans and investment in debt securities. The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of other receivables and investments.

**Trade and other receivables and Long term loans and advances**

Customer credit risk is managed by requiring customers to pay advances through progress billings before transfer of ownership, therefore, substantially eliminating the Group's credit risk in this respect.

**Impairment**

At March 31, 2019, the ageing of trade and other receivables that were not impaired was as follows.

	(Rs. In Lacs)	(Rs. In Lacs)
	31-Mar-19	31-Mar-18
Neither past due nor impaired	-	-
Past due 1-30 days	-	-
Past due 31-90 days	-	-
Past due 91-120 days	-	-
	<u>-</u>	<u>-</u>



Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

Balance as at April 1, 2018	-
Impairment loss recognised	-
Amounts written off	-
Balance as at March 31, 2018	-
Impairment loss recognised	-
Amounts written off	-
Balance as at March 31, 2019	-

The Company held cash and cash equivalents of INR 101.24 Lacs at March 31, 2019 (March 31, 2018: INR 1.42 Lacs ). The cash and cash equivalents are held with bank and financial institution counterparties with good credit ratings

### iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Contractual cash flow

(Rs. In Lacs)						
31-Mar-18	Carrying Amount	Total	Within 12 months	1-2 Year	2-5 Years	More than 5 Years
Non-Current Liabilities - Borrowings	-	-	-			
Current Liabilities - Borrowings	7,860.51	7,860.51	7,860.51			
Trade Payables	2.12	2.12	2.12			

(Rs. In Lacs)						
31-Mar-19	Carrying Amount	Total	Within 12 months	1-2 Year	2-5 Years	More than 5 Years
Non-Current Liabilities - Borrowings	-	-	-			
Current Liabilities - Borrowings	222.15	222.15	222.15			
Trade Payables	1.75	1.75	1.75			

### iv. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to interest rate risk and the market value of our investments affecting to parent company, since major borrowings is from parent company.

### Currency risk

The Company is exposed to currency risk on account of its trade and other payables in foreign currency. The functional currency of the Company is Indian Rupee. Currency risk is not material, as the company does not have significant exposure in foreign currency,

### Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Company's Major interest free borrowings is from ultimate parent Company

### Exposure to currency risk

There is no exposure of the company in foreign currency





**PAVUROTTI REAL ESTATE PRIVATE LIMITED**

**CIN No. U70100MH1995PTC084292**

**Notes to the Financial Statements for the Year Ended 31st March, 2019**

**16 Notes Forming Parts of the Financial Statements**

**A Contingent Liabilities**

(Rs. in lacs unless specified)

Particulars	2018-19	2017-18
Pro-rata Charge for the Loan/Credit Facilities taken by the Holding Company	NIL	8,500.00

- B Debit & Credit balances of various parties are subject to confirmation/reconciliation and consequent adjustments, if any. The Company is of the view that reconciliation(s), if any, arising out of final settlement of accounts with these parties is not likely to have any material impact on the accounts. Current Assets are stated in the Balance Sheet at least at the value which is reasonably certain to recover in ordinary course of business.

**C Related Party Disclosures**

Related parties and transactions with them during the year as identified by the Management are given below:

Holding Company

Peninsula Land Limited (PLL) - Holding Company

Shareholders and Their Relatives

Jayem Properties Private Limited (JPPL) - Shareholder

Javed Tapia (JT) - Shareholder

Azim Tapia (AT) - Relative of JT

Enterprises in which person mentioned above or their relatives have Significant Influence, directly or indirectly

Logical Properties Private Limited (Logical)

**D Earnings Per Share**

(Rs. In Lacs unless specified)

Sr. No.	Particulars	2018-19	2017-18
1	Profit/(Loss) After Tax	45.23	(2.58)
2	Number of Shares	1,00,000	1,00,000
3	Basic & Diluted Earning Per Share (in Rs.)	45.23	(2.58)

**E Ind AS 115 Revenue from Contracts with Customers**

The Company has adopted Ind AS 115 using the modified retrospective method and accordingly has provided the disclosures required by Ind AS 115 for the year ended March 31, 2019 and the comparative information for the year ended March 31, 2018 has not been disclosed

**E (i) Disaggregated revenue information**

Set out below is the disaggregation of the Company's revenue from contracts with customers by timing of transfer of goods or services.

Particulars	(Rs.in Lakhs)
	2018-19
Timing of transfer of goods or services	
Revenue from goods or services transferred to customers at a point in time	10,000.00
Revenue from goods or services transferred over time	-



**PAVUROTTI REAL ESTATE PRIVATE LIMITED**

**CIN No. U70100MH1995PTC084292**

**Notes to the Financial Statements for the Year Ended 31st March, 2019**

**E (ii) Contract balances and performance obligations**

Particulars	(Rs.in Lakhs)
	2018-19
Trade receivables	-
Contract liabilities *	-
<p>* Contract liabilities represent amounts collected from customers based on contractual milestones and liability under joint development agreements entered into with landlords pursuant to agreements executed with such customers/ landlords for construction and sale of residential units. The terms of agreements executed with customers require the customers to make payment of consideration as fixed in the agreement on achievement of contractual milestones though such milestones may not necessarily coincide with the point in time at which the entity transfers control of such units to the customer. The Company is liable for any structural or other defects in the residential units as per the terms of the agreements executed with customers and the applicable laws and regulations.</p>	
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	-
Revenue recognised in the reporting period from performance obligations satisfied in previous periods	-
Aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the reporting period **	
** The entity expects to satisfy the said performance obligations as explained in note 2.2(m) 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 as at March 31, 2019.	-

**E (iii) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**

Particulars	(Rs.in Lakhs)
	2018-19
Revenue as per contracted price	10,000
Adjustments	-
Discount	-
Revenue from contract with customers	10,000



**PAVUROTTI REAL ESTATE PRIVATE LIMITED**

**CIN No. U70100MH1995PTC084292**

**Notes to the Financial Statements for the Year Ended 31st March, 2019**

E (iv) Assets recognised from the costs to obtain or fulfill a contract with a customer

Particulars	(Rs.in Lakhs)
	31.03.2019
Inventories	-

E (v) The effect of adopting Ind AS 115 as at 1 April 2018 was as follows

The Company has applied Ind AS 115 "Revenue from contracts with customers" with effect from April 1, 2018 using full retrospective method. As required by this new standard and based on Company's contracts with its customers, the method of revenue recognition for real estate sales has been changed from "Percentage of Completion" to "Completed Contract" method.

F Previous year's figures have been regrouped/ rearranged/ recasted/reclassified wherever necessary to conform to the current year's classification.

As Per Our Report of Even Date

For **Amit Desai & Co**

Chartered Accountants

ICAI Firm Reg. No.: 130710W

*Amit N. Desai*

**(Amit N. Desai)**

Partner

Membership No : 032926

Date : 27th May, 2019.

Place: Mumbai



For and on behalf of Board of Directors

*Girish Pai*

**Girish Pai**

Director

DIN No.: 00935795

Date : 27th May, 2019.

Place: Mumbai

*Dinesh R. Jain*

**Dinesh R. Jain**

Director

DIN No. : 00059913

*K.S. Tambawala*

**Kayedzohar K. Tambawala**

Director

DIN No. : 00402902