

Independent Auditor's Report

To the Members of Kuthavakkam Builders Private Limited

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Kuthavakkam Builders Private Limited ("the Company") which comprises the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Statement of Changes in Equity and statement of Cash Flows 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 standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its Loss 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 Companies Act, 2013. 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 Companies Act, 2013 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.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Flat No.3-D, "PIONEER HOMES", 23/A, North Boag Road, T.Nagar, Chennai - 600 017.
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Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (Standalone) financial statements that give a true and fair view of the financial position, financial performance 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 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 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 Responsibility for the Audit of 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:

1. 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.
2. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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 standalone 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.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in para 3 and 4 of the said Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act
 - (f) As the company is a private limited company, not having turnover more than rupees fifty crores as per the latest audited financial statements and which does not have aggregate borrowings exceeding five crore rupees from any bank or financial institution or any body corporate at any time during the financial year, the reporting on Internal financial control u/s 143(3)(i) of companies act, 2013 is not applicable.



(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 is no provision required for material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For B.PURUSHOTTAM & CO
Chartered Accountants
Reg No 002808S

B. S. Purushottam
B.S.PURUSHOTHAM

Partner

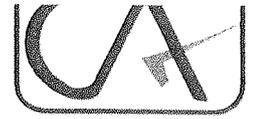
M.No 026785

UDIN: 20026785AAAAACF4422

Place : Chennai

Date : 20th June 2020.





Annexure A to our Report of Even Date to the members of Kuthavakkam Builders Limited for the year ended 31st March, 2019

- i. **In respect of Fixed Assets**
 - a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of all fixed assets.
 - b. Fixed assets have been physically verified by the management during the year and material discrepancies noticed on such verification was rectified in the financial statements.
 - c. The title deeds of the immovable properties are held in the name of the company.
- ii. **In respect of Inventories**
 - a. The Company does not carry any inventories. Hence reporting under clause ii does not arise for the year under report
- iii. **In respect of loans granted to companies, firms or other parties in the register maintained under section 189 of the Companies act, 2013 :**
 - a. According to the information and explanations given to us, the company has not granted any loans, Secured or unsecured to the Companies, Firms and other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
 - b. In view of what has been stated above, clause iii (a), iii (b) & iii(c) of the order are not applicable to the Company for the year.
- iv. According to the information and explanations given to us, the company has not granted any loans or provided any guarantee or security to the persons or body corporate as stated in 185 and 186 of the act, hence reporting under this clause does not arise.
- v. The Company has not accepted any deposits within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Hence, reporting under clause 3(v) of the Order does not arise.
- vi. The Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 and hence we have no comments to offer.
- vii. According to the information and explanations given to us, the company has made any operations during the year and hence statutory dues including provident fund, income-

tax, sales tax, goods & services tax, service tax, duty of excise, value added tax and other statutory dues does not arise. Hence reporting under this clause does not arise.

- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not borrowed from any banks, financial institutions, and has not issued any debentures. So this clause is not applicable to the Company, hence we have no comments to offer.
- ix. The Company has not raised any fund by way of initial public offering or by way of term loans and so this clause is not applicable to the Company, hence we have no comments to offer.
- x. According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year.
- xi. The Company has not paid managerial remuneration in the year. Hence, we have no comments to offer.
- xii. The Company is not a Nidhi company and so reporting clause xii is not applicable.
- xiii. The Company transactions with related parties are in compliance with Sec 188 of Companies act, 2013 and the relevant disclosures have been made in the financials which are in compliance of accounting standards. The provisions of section 177 does not apply to the company.
- xiv. The company has not made any preferential allotment of shares
- xv. As per information and Explanations provided to us, the company has not entered into any non-cash transaction with the directors or persons connected and so reporting under clause xv is not required.
- xvi. As per Information and explanations provided to us and in our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

Place : Chennai

Date : 20th June 2020.

For **B.PURUSHOTTAM & CO**

Chartered Accountants

Reg No 002808S

B.S. Muram

B.S.PURUSHOTTAM

Partner

M.No 026785

UDIN: 20026785AAAACF4422



Kuthavakkam Builders Private Limited
CIN-U45200TN2006PTC061704
Balance sheet as at March 31, 2020

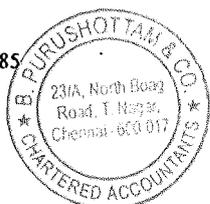
	Notes	As at 31-Mar-20 ₹ million	As at 31-Mar-19 ₹ million	As at 01-Apr-18 ₹ million
Assets				
Current assets				
Inventories	4	52.081	51.809	51.809
Financial assets				
Cash and cash equivalents	5	0.060	0.011	0.011
Other current assets	6	0.943	-	-
		<u>53.084</u>	<u>51.820</u>	<u>51.820</u>
Total assets		<u>53.084</u>	<u>51.820</u>	<u>51.820</u>
Equity and liabilities				
Equity				
Equity share capital	7	0.500	0.500	0.500
Other equity	8	(19.193)	(0.271)	(0.252)
Total equity		<u>(18.693)</u>	<u>0.229</u>	<u>0.248</u>
Current liabilities				
Financial liabilities				
Trade payables	9			
- Total outstanding dues of micro enterprises and small enterprises; and		-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		0.018	0.018	0.018
Other current financial liabilities	10	71.759	51.573	51.554
Other current liabilities		-	-	-
Liabilities for current tax (net)		-	-	-
		<u>71.777</u>	<u>51.591</u>	<u>51.572</u>
Total liabilities		<u>71.777</u>	<u>51.591</u>	<u>51.572</u>
Total equity and liabilities		<u>53.084</u>	<u>51.820</u>	<u>51.820</u>
Summary of significant accounting policies	2			

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For B.Purushottam & Co.,
ICAI Firm registration number:002808S
Chartered Accountants

B. S. Purshotham
Partner
Membership No.: 026785

Place: Chennai, India
Date: 20-Jun-2020



For and on behalf of the Board of Directors of
Kuthavakkam Builders Private Limited

Vasudevan Kannan
Director
DIN: 06851539

Raghunatha Reddy Kasireddy
Director
DIN: 06852245

Place: Bengaluru, India
Date: 20-Jun-2020

UDIN - 20026785AAAACFA422

Kuthavakkam Builders Private Limited
 CIN-U45200TN2006PTC061704
 Statement of profit and loss for the year ended March 31, 2020

	Notes	31-Mar-20 ₹ million	31-Mar-19 ₹ million
Revenue from operations		-	-
Other income		-	-
Total income		-	-
Expenses			
Land purchase cost		0.229	-
(Increase)/ decrease in inventories of land stock and work-in-progress	11	(0.272)	-
Other expenses	12	0.064	0.019
Finance cost	13	18.901	-
Total expenses		18.922	0.019
Profit before tax		(18.922)	(0.019)
Tax expenses		-	-
Current tax		-	-
Income tax expense		-	-
Profit for the year		(18.922)	(0.019)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to owners of the Company		(18.922)	(0.019)
Earnings per equity share {nominal value of ₹ 10 (Previous year - ₹ 10)}			
Basic and Diluted in Rupees	19	(378.440)	(0.370)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.
 As per our report of even date

For B.Purushottam & Co.,
 ICAI Firm registration number:002808S
 Chartered Accountants

B. S. Purushottam
 B S Purushottam
 Partner
 Membership No.: 026785

Place: Chennai, India
 Date: 20-Jun-2020



For and on behalf of the Board of Directors of
 Kuthavakkam Builders Private Limited

Vasudevan Kannan
 Vasudevan Kannan
 Director
 DIN: 06851539

Raghunatha Reddy
 Raghunatha Reddy
 Director
 DIN: 06852245

Place: Bengaluru, India
 Date: 20-Jun-2020

UDIN-20026785AAAACF4422

Kuthavakkam Builders Private Limited
CIN-U45200TN2006PTC061704
Statement of Changes in Equity for the year ended March 31, 2020

a. Equity share capital

	No of Shares	Amount in ₹ million
Equity shares of ₹ 10 each issued, subscribed and fully paid		
At April 1, 2018	50,000	0.500
At March 31, 2019	50,000	0.500
At March 31, 2020	50,000	0.500

b. Other equity

For the year ended March 31, 2020

Attributable to the equity holders of the Company		₹ million
Particulars	Reserves and Surplus	Total
	Retained earnings	
As at April 1, 2019	(0.271)	(0.271)
Profit for the year	(18.922)	(18.922)
Restatement as per IndAs 15	-	-
Other comprehensive income	-	-
Transfer to other reserves	-	-
General reserve	-	-
Total comprehensive income	(19.193)	(19.193)
At March 31, 2020	(19.193)	(19.193)

For the year ended March 31, 2019

Attributable to the equity holders of the Company		₹ million
Particulars	Reserves and Surplus	Total
	Retained earnings	
As at April 1, 2018	(0.252)	(0.252)
Profit for the year	(0.019)	(0.019)
Other comprehensive income	-	-
Transfer to other reserves	-	-
General reserve	-	-
Total comprehensive income	(0.271)	(0.271)
At March 31, 2019	(0.271)	(0.271)

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For B.Purushottam & Co.,
ICAI Firm registration number:002808S
Chartered Accountants

For and on behalf of the Board of Directors of
Kuthavakkam Builders Private Limited

B. S. Puram

B S Purushotham
Partner
Membership No.: 026785



Place: Chennai, India
Date: 20-Jun-2020

Vasudevan Kannan

Vasudevan Kannan
Director
DIN: 06851539

K. Reddy

Raghunatha Roddy
Kasireddy
Director
DIN: 06852245

Place: Bengaluru, India
Date: 20-Jun-2020

UDIN - 20026785AAAA CFUUD2

Kuthavakkam Builders Private Limited
 CIN-U45200TN2006PTC061704
 Statement of Cash Flows for the year ended March 31, 2020

Notes	31-Mar-20 ₹ million	31-Mar-19 ₹ million
Operating activities		
Profit before tax	(18.922)	(0.019)
<i>Working capital adjustments:</i>		
(Increase)/ decrease in inventories	(0.272)	-
(Increase)/ decrease in other financial and non-financial assets	(0.943)	-
Increase/ (decrease) in trade payables and other financial liabilities	20.186	0.019
Increase/ (decrease) in other non-financial liabilities	-	-
Income tax paid (net of refund)	0.049	0.000
Net cash flows from/ (used in) operating activities (A)	0.049	0.000
Investing activities		
Net cash flows from/ (used in) investing activities (B)	-	-
Financing activities		
Net cash flows from/ (used in) financing activities (C)	-	-
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	0.049	0.000
Cash and cash equivalents at the beginning of the year	5	0.011
Cash and cash equivalents at the end of the year	5	0.011
Summary of significant accounting policies	2	

The accompanying notes are an integral part of the financial statements.
 As per our report of even date

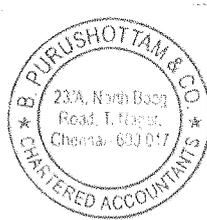
For B.Purushottam & Co.,
 ICAI Firm registration number:002808S
 Chartered Accountants

For and on behalf of the Board of Directors of
 Kuthavakkam Builders Private Limited

B. S. Purush

B S Purshotham
 Partner
 Membership No.: 026785

Place: Chennai, India
 Date: 20-Jun-2020



Vasudevan Kannan

Vasudevan Kannan
 Director
 DIN: 06851539

Place: Bengaluru, India
 Date: 20-Jun-2020

K. Reddy

Raghunatha Reddy
 Kasireddy
 Director
 DIN: 06852245

UDIN-20096785AAAAACEF4UQ2

1 Corporate Information

Kuthavakkam Builders Private Limited ('Company') was incorporated on December 09, 2006. The Company is primarily engaged in procurement, sale and development of lands into a residential, commercial complex and plotted development.

The Company is a private limited Company domiciled in India and incorporated under the provisions of the Indian Companies Act. The registered office is located at Chennai. Its shares are not listed and is a fully owned subsidiary of Sobha Developers Pune Limited, a limited company in the real estate sector and having its registered office at Bengaluru, wef 30/07/2019.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended March 31, 2019, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These standalone financial statements for the year ended March 31, 2020 are the first the Company has prepared in accordance with Ind AS. Refer to note 2.3 for information on how the Company adopted Ind AS.

The financial statements have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- ▶ Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The financial statements are presented in INR and all values are rounded to the nearest millions, except when otherwise indicated.

2.2 Summary of significant accounting policies

a) Revenue recognition

i. Revenue from contracts with customers

Revenue from contracts with customers is recognised 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. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, credits, concessions and incentives, if any, as specified in the contract with the customer. The Company presents revenue from contracts with customers net of indirect taxes in its statement of profit and loss.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Recognition of revenue from real estate developments

Revenue from real estate development of residential unit is recognised at the point in time, when the control of the asset is transferred to the customer, which generally coincides with either of the two conditions as stated below -

- a) on transfer of legal title of the residential or commercial unit to the customer; or
- b) on transfer of physical possession of the residential or commercial unit to the customer and collection of complete transaction price by the Company from customer.



ii. Interest income

Interest income, including income arising from other financial instruments, is recognised using the effective interest rate method. Interest on delayed payment by customers are accounted when reasonable certainty of collection is established.

iii. Dividend Income

Revenue is recognised when the Shareholders' or the unit holders' right to receive payment is established, which is generally when the shareholder approves the dividend.

b) Impairment of 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) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When 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 fair value less costs 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, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised 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.

c) Impairment of 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 recognises 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.

d) 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 realised 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 current when:

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The real estate development projects undertaken by the Company generally run over a period ranging upto 5 years. Operating assets and liabilities relating to such projects are classified as current based on an operating cycle of upto 5 years. Borrowings in connection with such projects are classified as short-term (i.e current) since they are payable over the term of the respective projects.

Assets and liabilities, other than those discussed above, are classified as current to the extent they are expected to be realised / are contractually repayable within 12 months from the Balance sheet date and as non-current, in other cases.

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



Kutlavakkam Builders Private Limited

CIN-U45200TN2006PTC061704

Notes to the financial statements for the year ended March 31, 2020

e) Fair value measurement

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

f) 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, 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.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

Debt instruments at amortised cost

Debt instruments at fair value through other comprehensive income (FVTOCI)

Debt instruments and equity instruments at fair value through profit or loss (FVTPL)

Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised 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.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Equity investments in subsidiaries

The Company has availed the option available in Ind AS 27 to carry its investment in subsidiaries at cost. Impairment recognized, if any, is reduced from the carrying value.



Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company 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.

Financial liabilities

Initial recognition and measurement

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 and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below.

Financial liabilities at fair value through profit or loss

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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.

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.

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 or loss.

g) Borrowing costs

Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalisation are charged to statement of profit and loss.

h) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in 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, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.



Kuthavalkam Builders Private Limited

CIN-U45200TN2006PTC061704

Notes to the financial statements for the year ended March 31, 2020

i) Provisions

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. 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 recognised as a finance cost

j) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond 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 its existence in the financial statements.

k) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) 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 events of bonus issue.

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

l) Income taxes

Income tax expense comprises of current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current income tax

Current income 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. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.



Deferred income tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- ▶ temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- ▶ temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- ▶ taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

The Company has elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised Provision for Income Tax for the year ended 31 March 2020 and re-measured its Deferred Tax Asset basis the rate prescribed in the said section.

m) Foreign currency transactions

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. Foreign currency monetary items are reported 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. Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

n) Inventories

Related to real estate activity

Direct expenditure relating to construction 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 construction and real estate activity. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received.

- i. Work-in-progress - Real estate projects (including land inventory): Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognised. Real estate work-in-progress is valued at lower of cost and net realisable value.
- ii. Finished goods - Flats: Valued at lower of cost and net realisable value.

Net realisable 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. However, inventory held for use in production of finished goods is not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.



o) Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3 Significant accounting estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make 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 assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

i) Classification of property

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

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

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

a) Estimates and assumptions

The key 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 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) Revenue recognition

-Determination of performance obligations and timing of revenue recognition on revenue from real estate development (Refer note 2.2).

-Computation of percentage completion for projects in progress, project cost, revenue and saleable area estimates (Refer note 2.2).

ii) Estimation of net realisable value for inventory property

Inventory property is stated at the lower of cost and net realisable 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.



Kuthavakkam Builders Private Limited
Notes to the financial statements for the year ended March 31, 2020

4 Inventories (valued at lower of cost and net realizable value)

	31-Mar-20 ₹ million	31-Mar-19 ₹ million	01-Apr-18 ₹ million
Land stock	52.081	51.809	51.809
	52.081	51.809	51.809

5 Cash and cash equivalents

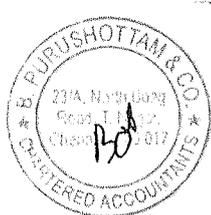
	Current			Non-current		
	31-Mar-20	31-Mar-19	01-Apr-18	31-Mar-20	31-Mar-19	01-Apr-18
<i>Balances with banks:</i>						
- On current accounts	0.060	0.011	0.011	-	-	-
Cash on hand	0.000	0.000	0.000	-	-	-
	0.060	0.011	0.011	-	-	-

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	31-Mar-20 ₹ million	31-Mar-19 ₹ million	01-Apr-18 ₹ million
<i>Balances with banks:</i>			
- On current accounts	0.060	0.011	0.011
Cash on hand	0.000	0.000	0.000
	0.060	0.011	0.011

6 Other assets

	Current			Non-current		
	31-Mar-20	31-Mar-19	01-Apr-18	31-Mar-20	31-Mar-19	01-Apr-18
Others						
Balances with statutory/ government authorities	0.943	-	-	-	-	-
	0.943	-	-	-	-	-



7 Share Capital

	31-Mar-20 ₹ million	31-Mar-19 ₹ million	01-Apr-18 ₹ million
Authorised shares			
50,000 (March 31, 2019 - 50,000, April 1, 2018 - 50,000) equity shares of ₹10 each	0.500	0.500	0.500
Issued, subscribed and fully paid-up shares			
50,000 (March 31, 2019 - 50,000; April 1, 2018 - 50,000) equity shares of ₹10 each fully paid up	0.500	0.500	0.500
Total issued, subscribed and fully paid-up share capital	0.500	0.500	0.500

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

	31-Mar-20		31-Mar-19		01-Apr-18	
	No of Shares	₹ million	No of Shares	₹ million	No of Shares	₹ million
Equity shares						
At the beginning of the year	50,000	0.500	50,000	0.500	50,000	0.500
Issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	50,000	0.500	50,000	0.500	50,000	0.500

(b) Terms/ rights attached to equity shares

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

Each holder of equity shares is entitled to one vote per share. The Company has not declared any dividend during the year.

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

(c) Details of shareholders holding more than 5% shares in the Company

	31-Mar-20		31-Mar-19		01-Apr-18	
	No of Shares	Holding percentage	No of Shares	Holding percentage	No of Shares	Holding percentage
Equity shares of ₹10 each fully paid up						
Technobuild Developers Private Limited	-	-	49,999	99.998%	49,999	99.998%
Sobha Developers Pune Limited	50,000	100%	-	-	-	-

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

8 Other equity

	31-Mar-20 ₹ million	31-Mar-19 ₹ million	01-Apr-18 ₹ million
Surplus in the statement of profit and loss			
Balance at the beginning of the year	(0.271)	(0.252)	(0.233)
Profit for the year	(18.922)	(0.019)	(0.019)
Net surplus in the statement of profit and loss	(19.193)	(0.271)	(0.252)
Total other equity	(19.193)	(0.271)	(0.252)



Kuthavakkam Builders Private Limited
Notes to the financial statements for the year ended March 31, 2020

9 Trade payables

	31-Mar-20 ₹ million	31-Mar-19 ₹ million	01-Apr-18 ₹ million
Trade payables			
- Total outstanding dues of micro enterprises and small enterprises (Refer note 17 for details of dues to micro and small enterprises)			
- Total outstanding dues of creditors other than micro enterprises and small enterprises	0.018	0.018	0.018
	0.018	0.018	0.018

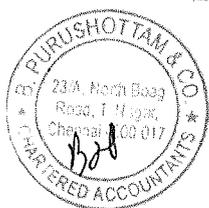
Terms and conditions of the above financial liabilities.

- Trade payables are non-interest bearing and are normally settled on 30-60-day terms

For explanations on the Company's credit risk management processes, refer to note 21

10 Other financial liabilities

	31-Mar-20 ₹ million	31-Mar-19 ₹ million	01-Apr-18 ₹ million
Current			
Payable to related parties (refer note 18)	71.759	51.573	51.554
Total current other financial liabilities	71.759	51.573	51.554
Total other financial liabilities	71.759	51.573	51.554



Kuthavakkam Builders Private Limited

Notes to the financial statements for the year ended March 31, 2020

11 (Increase)/decrease in inventories

	₹ million 31-Mar-20	₹ million 31-Mar-19
Inventories at the end of the year		
Land stock	52.081	51.809
	<u>52.081</u>	<u>51.809</u>
Inventories at the beginning of the year		
Land stock	51.809	51.809
	<u>51.809</u>	<u>51.809</u>
(Increase)/ decrease	<u>(0.272)</u>	<u>-</u>

12 Other expenses

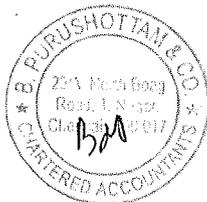
	31-Mar-20 ₹ million	31-Mar-19 ₹ million
Rates and taxes	0.003	0.001
Legal and professional fees	0.043	-
Payment to auditor (Refer details below)	0.018	0.018
	<u>0.064</u>	<u>0.019</u>

Payment to auditor

	31-Mar-20 ₹ million	31-Mar-19 ₹ million
As auditor:		
Audit fee	0.018	0.018
	<u>0.018</u>	<u>0.018</u>

13 Finance costs

	31-Mar-20 ₹ million	31-Mar-19 ₹ million
Interest		
- Others	18.901	-
	<u>18.901</u>	<u>-</u>
Total finance costs	<u>18.901</u>	<u>-</u>



Kuthavakkam Builders Private Limited
Notes to the financial statements for the year ended March 31, 2020

- 14 There is no contingent liability during the period.
- 15 The company does not have any employees and hence no provision is considered in respect of employee benefits
- 16 There is no expenditure or earnings in Foreign exchange during the period.
- 17 Based on the information available with the Company, no amount is due to the small & Micro Enterprises as under Micro, Small and Medium Enterprises Development Act, 2006
- 18 **RELATED PARTY DISCLOSURES;**

The names of the related parties with the description of relationships and transactions between the reporting enterprise and its related parties have been identified and certified by the management.

a. List of Related Parties

Holding Company : Sobhu Developers Pune Limited wef 25.07.2019

Sl. No	Name of the Other Related Parties
1	Allapuzha Fine Real Estates Private Limited
2	Aluva Realtors Private Limited
3	Annalakshmi Land Developers Private Limited
4	Bikasa Properties Private Limited
5	Bikasa Realestates Private Limited
6	Bikasa Realtors Private Limited
7	Chennai Supercity Developers Private Limited
8	Chikmangaloor Builders Private Limited
9	Chikmangaloor Developers Private Limited
10	Chikmangaloor Properties Private Limited
11	Chikmangaloor Realtors Private Limited
12	Cochin Cyber City Private Limited
13	Cochin Cyber Estates Private Limited
14	Cochin Cyber Golden Properties Private Limited
15	Cochin Cyber Value Added Properties Private Limited
16	Cochin Realtors Private Limited
17	Daram Cyber Builders Private Limited
18	Daram Cyber Developers Private Limited
19	Daram Cyber Properties Private Limited
20	Daram Lands Real Estate Private Limited
21	Greater Cochin Cybercity Private Limited
22	Greater Cochin Developers Private Limited
23	Greater Cochin Properties Private Limited
24	Greater Cochin Realtors Private Limited
25	Ilupur Builders Private Limited
26	Ilupur Developers Private Limited
27	Ilupur Properties Private Limited
28	Ilupur Real Estate Private Limited
29	Ilupur Realtors Private Limited
30	Kaloor Realtors Private Limited
31	Kaveripuram Developers Private Limited
32	Kilai Builders Private Limited
33	Kilai Properties Private Limited
34	Kilai Super Developers Private Limited
35	Kottaiyur Developers Private Limited
36	Kottaiyur Real Estates Private Limited
37	Kottaiyur Realtors Private Limited
38	Kuthavakkam Builders Private Limited
39	Kuthavakkam Developers Private Limited
40	Kuthavakkam Properties Private Limited
41	Kuthavakkam Realtors Private Limited
42	Mamballi Builders Private Limited
43	Mannur Builders Private Limited
44	Mannur Properties Private Limited
45	Mannur Real Estates Private Limited
46	Mapedu Builders Private Limited
47	Mapedu Real Estates Private Limited
48	Mapedu Realtors Private Limited
49	Marina Realtors Private Limited

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Sobha Nandambakkam Developers Limited
Hill And Menon Securities Private Limited



50	Sobha Tambaram Developers Limited	95	Indeset Electromechanical Private Limited
51	Moolamcode Traders Private Limited	96	Indeset Steel Private Limited
52	Nasarapet Developers Private Limited	97	Lotus Manpower Consultants Services Pvt Ltd
53	Nasarapet Properties Private Limited	98	Lotus Manpower Services
54	Nasarapet Realtors Private Limited	99	HBR Consultants Private Limited
55	Navabhusan Properties and Developers Private Limited	100	Oman Builders Private Limited
56	Padma Lochana Enterprises Private Limited	101	PNC Lighting Solutions Private Limited
57	Palani Properties Private Limited	102	PNC Technologies Private Limited
58	Pallavur Projects Private Limited	103	Punkunnam Builders And Developers Private Ltd
59	Paramakudi Properties Private Limited	104	Red Lotus Facility Services Private Limited
60	Perambakkam Builders Private Limited	105	Red Lotus Metal Works Facilities And Services Pvt L
61	Perambakkam Properties Private Limited	106	Royal Interiors Private Limited
62	Pillaiakkam Properties Private Limited	107	Sobha Academy Private Limited
63	Pillaiakkam Builders Private Limited	108	Sobha Assets Private Limited
64	Red Lotus Realtors Private Limited	109	Sobha Aviation And Engineering Services Pvt Ltd
65	Rusoh Fine Builders Private Limited	110	Sobha City
66	Rusoh Home Developers Private Limited	111	Sobha Contracting Private Limited
67	Rusoh Marina Properties Private Limited	112	Sobha Limited
68	Rusoh Modern Builders Private Limited	113	Sobha Electro Mechanical Private Limited
69	Rusoh Modern Developers Private Limited	114	Sobha Glazing And Metal Works Private Limited
70	Rusoh Modern Properties Private Limited	115	Sobha Highrise Ventures Private Limited
71	Santhavellur Builders Private Limited	116	Sobha Hiteclcity Developers Private Limited
72	Santhavellur Developers Private Limited	117	Sobha Inncercity Technopolis Private Limited
73	Santhavellur Realtors Private Limited	118	Sobha Interiors Private Limited
74	Sengadu Builders Private Limited	119	Sobha Jewellery Private Limited
75	Sengadu Developers Private Limited	120	Sobha Mapletree Developers Private Limited
76	Sengadu Properties Private Limited	121	Sobha Projects And Trade Private Limited
77	Sengadu Realestates Private Limited	122	Sobha Puravankara Aviation Private Limited
78	Sengadu Realtors Private Limited	123	Sobha Space Private Limited
79	Sri Durga Devi Property Management Private Limited	124	Sobha Technocity Private Limited
80	Sri Kanakadurga Property Developers Private Limited	125	Sri Kurumba Trust
81	Sri Parvathy Land Developers Private Limited	126	Valasai Vettikadu Realtors Private Limited
82	Sunbeam Projects Private Limited	127	Vayaloor Builders Private Limited
83	Thakazhi Developers Private Limited	128	Vayaloor Developers Private Limited
84	Thakazhi Realtors Private Limited	129	Vayaloor Properties Private Limited
85	Thiruchour Builders Private Limited	130	Vayaloor Real Estate Private Limited
86	Thiruchour Developers Private Limited	131	Vayaloor Realtors Private Limited
87	Tirur Cyber Real Estates Private Limited	132	PNC Switchgears Private Limited
88	Valasai Vettikadu Builders Private Limited	133	Technobuild Developers Private Limited (Holding company upto 24/07/2019)
89	Valasai Vettikadu Properties Private Limited		C V S Tech Park Private Limited
90	Valasai Vettikadu Real Estate Private Limited	134	Kondhwa Projects LLP
91	SBG Housing Private Limited	135	Sobha Constuction Products Private Limited
92	Puzhakkal Developers Private Limited	136	



b. Transaction with Related Parties

Name of the Related Party	Nature of Relationship	Nature of transactions	Current year	Previous year
			₹ million	₹ million
Technobuild Developers Private Limited (Holding company upto 24/07/2019)	Other Related party	Advances received	2.863	0.019
Sobha Developers Pune Limited	Holding company	Advances received	0.300	
Technobuild Developers Private Limited (Holding company upto 24/07/2019)	Other Related party	Interest & expenses cross charged	18.914	

c. Closing Balance at the year end:

Name of the Related Party	Nature of Relationship	Nature of transactions	Current year	Previous year
			₹ million	₹ million
Technobuild Developers Private Limited (Holding company upto 24/07/2019)	Other Related party	Balance payable	71.459	51.573
Sobha Developers Pune Limited	Holding company	Balance payable	0.300	

d. Key Managerial Personnel

Mr. Vasudevan Kannan

Mr. Raghunatha Reddy Kasiroddy

Mr. Sudhakar - Appointment - wef - 26.08.2019

19 EARNINGS PER SHARE:

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares.

The following reflects the income and share data used in the basic EPS computations:

Particulars	Current year	Previous year
Nominal value of equity shares	10	10
Profit after tax attributable to shareholders (Amount in ₹ million)	(18.922)	(0.019)
Weighted average number of equity shares outstanding during the year	50,000	50,000
Basic EPS (In Rs)	(378.44)	(0.37)

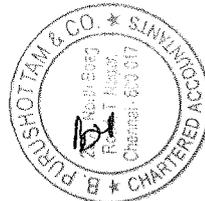


Kuthavakkam Builders Private Limited
Notes to the financial statements for the year ended March 31, 2020

20 Fair value measurements

The carrying value of financial instruments by categories is as follows:

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	At Cost	Fair value through profit or loss	At Cost	Fair value through profit or loss	At Cost	Fair value through profit or loss
Financial assets						
Cash and cash equivalents	-	-	-	-	-	-
		0.060		0.011		0.011
Total	-	-	-	0.011	-	0.011
Financial liabilities						
Trade payables	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	-
		0.018		0.018		0.018
		71.759		51.573		51.554
Total	-	-	-	71.777	-	51.572



Kuthavalkum Builders Private Limited
Notes to the financial statements for the year ended March 31, 2020

21 Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A 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. Financial instruments affected by market risk include loans and borrowings.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to the risk of changes in market interest rates as it does not have any long-term debt obligations with floating interest rates. The Company does not enter into any interest rate swaps.

B Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The entity is exposed to credit risk from its operating activities (primarily trade receivables) and investing activities (short term bank deposits).

Trade receivables

Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.



Financial instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2020 and 31 March 2019 is the carrying amounts.

At the balance sheet date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset in the balance sheet.

C Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments (including interest payments):

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	₹ million Total
Year ended March 31, 2020						
Other financial liabilities	71.759	-	-	-	-	71.759
Trade payables	0.018	-	-	-	-	0.018
	71.777	-	-	-	-	71.777
Year ended March 31, 2019						
Other financial liabilities	51.573	-	-	-	-	51.573
Trade payables	0.018	-	-	-	-	0.018
	51.591	-	-	-	-	51.591
As at April 1, 2018						
Other financial liabilities	51.554	-	-	-	-	51.554
Trade payables	0.018	-	-	-	-	0.018
	51.572	-	-	-	-	51.572



Kuthavakkam Builders Private Limited
Notes to the financial statements for the year ended March 31, 2020

22 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is total asset divided by total equity

	₹ million		
	31-Mar-20	31-Mar-19	01-Apr-18
Total Assets	53.084	51.820	51.820
Equity (Note 7)	0.500	0.500	0.500
Other Equity (Note 8)	(19.193)	(0.271)	(0.252)
Total equity	(18.693)	0.229	0.248
Total Asset and equity	34.391	52.049	52.068
Gearing ratio	154%	100%	100%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the period ended March 31, 2020 and year ended March 31, 2019.



23 First-time adoption of Ind AS

These financial statements, for the year ended March 31, 2020, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2020, together with the comparative period data as at and for the year ended March 31, 2019, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2018, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 1, 2018 and the financial statements as at end for the year ended March 31, 2019

Reconciliation of total equity between previous GAAP and Ind AS

There are no reconciling items between the equity for the previous year under the previous GAAP with the equity as reported under IND AS as at March 31, 2019 and April 1, 2018.

Reconciliation of Total Comprehensive income for the year ended March 31, 2019.

There are no reconciling items between the net profit under previous GAAP and the total comprehensive income as reported in these financial results under Ind AS.

24 Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to confirm with the current year's classification.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For B.Purushottam & Co.,
ICAI Firm registration number:002808S
Chartered Accountants

B.S. Purushottam
B S Purshotham
Partner
Membership No.: 026785

Place: Chennai, India
Date: 20-Jun-2020



For and on behalf of the Board of Directors of
Kuthavakkam Builders Private Limited

Vasudevan Kannan
Vasudevan Kannan
Director
DIN: 06851539

Place: Bengaluru, India
Date: 20-Jun-2020

K. Raghunatha Reddy
Raghunatha
Reddy Kasireddy
Director
DIN: 06852245

UDIN-20096785AAAAACFU422