S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

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"UB City" Canberra Block
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INDEPENDENT AUDITOR'S REPORT

To the Members of Provident Housing Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Provident Housing Limited ("the Company"), which includes its 3 partnership entities, which comprise the Balance sheet as at March 31 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the partnership entity, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to note 35(b)(iv) to the accompanying financial statements in connection with certain ongoing legal proceedings related to property, income tax search and other matters. Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the financial statements and our auditor's report thereon. The Board of Directors report is expected to be made available to us after the date of this auditors report.

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 identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibility of Management for the Financial Statements

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

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and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- For the partnership entities included in the financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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.

Other Matter

The accompanying financial statements include the Company's share of net profit/(loss) after tax in respect of 3 partnership entities, whose financial statements and other financial information include the Company's share of net profit/(loss) after tax Rs. (244.92) lakhs and total comprehensive income/(loss) of Rs. (244.92) lakhs for the year ended

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March 31, 2026, as considered in the accompanying financial statements, whose financial statements have been audited by their respective other auditors.

The reports of such other auditors on financial statements of these partnership entities have been furnished to us and our opinion on the accompanying financial statements, in so far as it relates to the amounts and disclosures included in respect of these partnership entities, is based solely on the report of such other auditors.

Our opinion on the financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the partnership entities, as noted in the 'Other Matter' paragraph, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(j)(vi) below on reporting under Rule 11(g);

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) The matters described in Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company:

   (f) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

   (g) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(j)(vi) below on reporting under Rule 11(g).

   (h) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (i) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 35(b) to the financial statements;

      ii. Provision has been made in the financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer note 20(b) to the financial statements;

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iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 41(v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 41(vi) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software except that, audit trail feature is not enabled for direct changes to data when using certain access rights, as described in note 43 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of the accounting software to the extent the audit trail has been enabled. Additionally, the audit trail of the relevant prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

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





per Sudhir Kumar Jain
Partner
Membership Number: 213157

UDIN: 26213157CBHALO3991

Place: Bengaluru
Date: May 16, 2026

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

Re: Provident Housing Limited ("the Company")

Report on the Companies (Auditor's Report) Order, 2020 ("the Oder")

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

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its property, plant and equipment (including Right of use assets) or intangible assets during the year.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder as disclosed in the note 41(i) to the financial statements.

(ii) (a) Having regard to the nature of inventory comprising of stock of completed units and work in progress of real estate projects, the management has conducted physical verification of inventory including by way of verification of title deeds, site visits and certification of extent of work completion, at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.

(b) The Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. As disclosed in note 17 to the financial statements, the Company has not filed any quarterly returns/statements with such banks during the year. Hence, we are unable to comment on the agreement with the books of accounts of the Company.

(iii) (a) During the year the Company has provided loans and security to companies and limited liability partnership as follows:

Rs. in lakhs

	Security	Loan
Aggregate amount granted/ provided during the year:		
- Subsidiaries	-	29,091.09
- Joint Ventures	-	-
- Associates	-	-
- Others (Holding company)	8,403.00	25,195.66
Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries	-	32,948.78
- Joint Ventures	-	-
- Associates	-	-
- Others (Holding company)	8,403.00	19,700.67

During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee and provided security to any other parties.

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(b) During the year, the investments made, security given and the terms and conditions of the grant of all loans, investments and securities given to companies and limited liability partnerships are not prejudicial to the Company's interest, having regard to management's representation that the investments, loans and security are given to such parties considering the Company's economic interest and long-term trade relationship with such parties.

(c) The Company has granted loans during the year to companies and limited liability partnership, where the schedule of repayment of principal and payment of interest has been stipulated. Such loans and interest thereon are repayable on demand and no demand has been made during the year.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) As disclosed in note 6 to the financial statements, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, and Limited Liability Partnerships. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

Rs. In lakhs

	All Parties	Promoters	Related Parties
Aggregate amount of loans - Repayable on demand	54,286.75	25,195.66	29,091.09
Percentage of loans to the total loans	100%	46.41%	53.59%

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the construction activities and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, service tax, duty of custom, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there have been slight delays in few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, service tax, duty of custom, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:



Name of the Statue	Nature of dues	Amount demanded (Rs. in lakhs)	Amount paid under Protest (Rs. in lakhs)	Period to which amount relates	Forum where the dispute is pending
Finance Act, 1994	Service tax	4,895.42	-	2009-14	Customs, Excise and Service Tax Appellate Tribunal
Income-Tax Act, 1961	Income tax	700.80	175.74	2015-16	Commissioner of Income Tax (Appeals)
Income-Tax Act, 1961	Income tax	518.90	-	2018-24	Commissioner of Income Tax (Appeals)
Goods and Services Tax Act, 2017	Goods and Services Tax	2,764.12	130.30	2017-18	Deputy Commissioner of Appeals - Tamil Nadu
Goods and Services Tax Act, 2017	Goods and Services Tax	187.71	37.54	2017-23	GST Appellate Tribunal - Telangana

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year as disclosed in note 41(vii) to the financial statements. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) Loans amounting to Rs. 11,382.52 lakhs are repayable on demand. Such loans and interest thereon have not been demanded for repayment during the year. The Company has not defaulted in repayment of other borrowings or payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has taken funds from following entities and persons on account of or to meet the obligations of its subsidiaries, as per details below:

Nature of fund taken	Name of Lender	Amount involved	Name of subsidiary	Relation	Nature of transaction for which funds utilized
Debenture	HDFC Capital Affordable Real Estate Fund-III	Rs.12,500 lakhs	KVN Property Holdings LLP ("KVN")	Step down subsidiary	Loan given to KVN for repayment of loan (Rs. 8,000 lakhs) and funding of its project costs (Rs. 4,500 lakhs)
		Rs. 1,000 lakhs	Purva Blue Home Ventures Private Limited ("PBHV")	Subsidiary	Loan given to PBHV for investment in KVN by way of contribution to Partner's capital account (Rs. 1,000 lakhs)

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(f) The Company has raised loans during the year on the pledge of securities held in its subsidiaries, as per details below. Further, the Company has not defaulted in repayment of such loans raised.

Nature of loan taken	Name of Lender	Amount of loan	Name of subsidiaries	Relation	Details of security pledged
Debenture	HDFC Capital Affordable Real Estate Fund-III	Rs.15,000 lakhs	a) Purva Blue Home Ventures Private Limited	Subsidiary	a) Investments with carrying value of Rs. 1 lakh.
			b) Provident White Oaks LLP	Subsidiary	b) Investments with carrying value of Rs. 12.05 lakhs.
			c) KVN Property Holdings LLP	Step-down subsidiary	c) Investments by Purva Blue Home Ventures Private Limited with carrying value of Rs. 708.28 lakhs Refer note 5 in financial statements

Note: Also refer note 17 to the financial statements for details of assets pledged against the aforesaid loan.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a, b and c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

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(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group. Accordingly, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has incurred cash losses amounting to Rs. 689.52 lakhs in the current financial year. The Company has incurred cash losses amounting to Rs. 3,458.64 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company

(xix) On the basis of the financial ratios disclosed in note 37 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 28(B) to the financial statements.

(b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 28(B) to the financial statements.

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





per Sudhir Kumar Jain
Partner
Membership Number: 213157

UDIN: 26213157CBHALO3991

Place: Bengaluru
Date: May 16, 2026

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

Re: Provident Housing Limited ("the Company")

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

We have audited the internal financial controls with reference to financial statements of Provident Housing Limited ("the Company") as of March 31, 2026, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls With Reference to these financial statements

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



Inherent Limitations of Internal Financial Controls With Reference to the financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

S.R. Batliboi & Associates LLP Bengaluru

per Sudhir Kumar Jain
Partner
Membership Number: 213157

UDIN: 26213157CBHALO3991

Place: Bengaluru
Date: May 16, 2026

ARD/AJP

Provident Housing Limited

Financial Statements

Year ended 31st March 2026

Provident Housing Limited
CIN:U45200KA2008PLC048273
Balance Sheet as at March 31, 2026
(All amounts in Indian Rs. Lakhs, unless otherwise stated)

	Note	March 31, 2026	March 31, 2025
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	450.91	675.98
(b) Intangible assets	4	31.71	41.96
(c) Financial assets			
(i) Investments	5	2,626.85	2,875.45
(ii) Other financial assets	7a	5,996.38	11,536.55
(d) Deferred tax assets (net)	8	2,140.07	1,515.01
(e) Assets for current tax (net)	9	859.99	1,076.37
(f) Other non-current assets	10a	1,939.70	2,411.75
Total non-current assets		**14,045.61**	**20,133.07**
Current assets			
(a) Inventories	11	2,33,642.57	2,34,295.80
(b) Financial assets			
(i) Trade receivables	12	22,049.19	17,652.22
(ii) Cash and cash equivalents	13	22,080.17	17,528.80
(iii) Bank balances other than cash and cash equivalents	14	3,416.48	-
(iv) Loans	6	52,649.45	6,619.21
(v) Other financial assets	7b	2,717.58	2,012.27
(c) Other current assets	10b	24,050.12	19,489.62
Total current assets		**3,60,605.56**	**2,97,597.92**
Total assets		**3,74,651.17**	**3,17,730.99**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	15	800.00	800.00
(b) Other equity	16	23,093.23	23,485.74
Total equity		**23,893.23**	**24,285.74**
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17a	-	278.47
(ii) Lease liabilities	34	168.21	314.46
(b) Provisions	20a	280.71	324.85
Total non-current liabilities		**448.92**	**917.78**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17b	1,06,866.71	90,978.69
(ii) Lease liabilities	34	170.76	176.70
(iii) Trade payables	18		
(A) Total outstanding dues of micro enterprises and small enterprises		810.43	597.27
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		18,070.54	15,212.53
(iv) Other financial liabilities	19	10,913.57	6,078.40
(b) Other current liabilities	21	2,13,118.12	1,73,927.99
(c) Provisions	20b	358.89	5,555.89
Total current liabilities		**3,50,309.02**	**2,92,527.47**
Total equity and liabilities		**3,74,651.17**	**3,17,730.99**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

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

per Sudhir Kumar Jain
Partner
Membership no.: 213157

Bengaluru
May 16, 2026

S.R. Batliboi & Associates LLP Bengaluru

For and on behalf of the Board of Directors of
Provident Housing Limited
CIN: U45200KA2008PLC048273

Ashish Rajan Puravankara
Director
DIN 00504524

Ananda Joy Puravankara
Whole-time Director
DIN 07128042

Bengaluru
May 16, 2026

PROVIDENT HOUSING LIMITED BANGALORE

Provident Housing Limited
CIN:U45200KA2008PLC048273
Statement of Profit and Loss for the year ended March 31, 2026
(All amounts in Indian Rs. lakhs, unless otherwise stated)

	Note	March 31, 2026	March 31, 2025
Income			
Revenue from operations	22	76,094.53	35,859.46
Other income	23	5,380.90	1,891.98
Total income		**81,475.43**	**37,751.44**
Expenses			
Sub-contractor cost		47,661.08	34,557.95
Cost of raw materials and components consumed		2,077.90	2,451.70
Land purchase cost	24a	229.62	-
Purchase of stock of flats		-	39,342.96
(Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress		282.43	(65,501.93)
Employee benefits expense	24b	6,005.40	6,221.88
Finance costs	25	15,145.08	13,881.54
Depreciation and amortization expenses	26	239.31	270.84
Other expenses	27	10,095.88	10,196.34
Total expenses	28	**81,736.70**	**41,421.28**
Profit/ (loss) before tax		**(261.27)**	**(3,669.84)**
Tax expense			
Current tax	29	667.56	59.63
Deferred tax		(635.83)	(334.62)
Total tax expense		**31.73**	**(274.99)**
Profit/ (loss) for the year		**(293.00)**	**(3,394.85)**
Other comprehensive income ('OCI')			
Items that will not be reclassified to profit or loss			
(i) Re-measurement gains/(losses) on defined benefit plans		44.51	(63.66)
(ii) Income tax relating to above		(10.77)	16.02
Total other comprehensive income		**33.74**	**(47.64)**
Total comprehensive income for the year (comprising profit/(loss) and OCI)		**(259.26)**	**(3,442.49)**
Earnings per equity Share ('EPS')			
[Nominal value per equity share Rs. 10 (March 31, 2025: Rs.10)]	42		
Basic (Rs.)		(3.66)	(42.44)
Diluted (Rs.)		(3.66)	(42.44)
Weighted average number of equity shares used in computation of EPS			
Basic - in numbers lakhs	42	80.00	80.00
Diluted - in numbers lakhs		80.00	80.00

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

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

per **Sudhir Kumar Jain**
Partner
Membership no. 213157

Bengaluru
May 16, 2026

S.R. Batliboi & Associates LLP
Bengaluru

For and on behalf of the Board of Directors of
Provident Housing Limited
CIN: U45200KA2008PLC048273

Ashish Ra[illegible] Puravankara
Director
DIN 00504524

Amanda Joy Puravankara
Whole-time Director
DIN 07128042

Bengaluru
May 16, 2026

PROVIDENT HOUSING LIMITED
BANGALORE

Provident Housing Limited
CIN:U45200KA2008PLC048273

Statement of cash flow for the year ended March 31, 2026
(All amounts in Indian Rs. lakhs, unless otherwise stated)

	March 31, 2026	March 31, 2025
A. Cash flow from operating activities		
Profit/(loss) before tax	**(261.27)**	**(3,669.84)**
Adjustments to reconcile profit/(loss) before tax to net cash flows		
Depreciation and amortization expense	239.31	270.84
Finance costs	15,145.08	13,881.54
Interest income	(4,552.47)	(1,303.85)
Provisions/liabilities no longer required written back	(147.97)	(85.61)
Share in loss/(profit) of partnership entities investment	244.92	509.56
Loss on disposal of property, plant and equipment	1.53	-
Employee share based payment expense/ (credit)	(133.25)	137.31
Advances/deposits written off	-	449.10
Working capital adjustments:		
(Increase)/decrease in trade receivables	(4,396.97)	(9,253.40)
(Increase)/ decrease in inventories	50.42	(65,503.74)
(Increase)/ decrease in other financial assets	5,146.15	3,031.31
(Increase)/ decrease in other assets	(4,088.45)	(9,297.20)
Increase/ (decrease) in trade payables	3,219.12	5,652.14
Increase/ (decrease) in other financial liabilities	(54.46)	(27.30)
Increase/ (decrease) in other liabilities	39,792.94	50,283.63
Increase/ (decrease) in provisions	(5,196.63)	5,089.81
Net cash flows from/(used in) operating activities	**45,008.00**	**(9,835.70)**
Income tax paid (net)	(451.18)	(784.98)
Net cash flows from/(used in) operating activities	**44,556.82**	**(10,620.68)**
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(5.09)	(10.49)
Purchase of intangible assets	(0.43)	(3.30)
Investments made in subsidiaries	-	(1.00)
Redemption of debentures in joint venture	-	3,671.56
Drawings from subsidiary, limited liability partnership firm	4,893.31	2,798.41
Loans given to related parties	(54,286.75)	(14,531.26)
Loans repaid by related parties	11,702.74	9,949.41
Investment in bank deposits (original maturity of more than three months)	(3,727.77)	(16,283.07)
Redemption of bank deposits (original maturity of more than three months)	-	18,070.24
Interest received	1,106.25	507.76
Net cash flows from/(used in) investing activities	**(40,317.74)**	**4,168.26**
C. Cash flows from financing activities		
Proceeds from term loans	57,745.88	89,566.50
Repayment of term loans	(45,780.61)	(63,906.93)
Loans taken from related parties	6,323.21	31,902.96
Loans repaid to related parties	(5,346.51)	(32,026.31)
Payment of principal towards lease liabilities	(152.19)	(181.12)
Payment of interest towards lease liabilities	(43.69)	(63.44)
Finance costs paid	(13,600.19)	(13,527.56)
Net cash flows from/(used in) financing activities	**(854.10)**	**11,764.10**
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	**3,384.98**	**5,311.68**
Cash and cash equivalents at the beginning of the year	14,909.72	9,598.04
Cash and cash equivalents at the end of the year	**18,294.70**	**14,909.72**

Components of cash and cash equivalents	Notes	March 31, 2026	March 31, 2025
Cash and cash equivalents as per balance sheet			
Balances with bank	13		
On current accounts		16,675.88	8,762.34
Deposits of original maturity of three months or less		5,401.10	8,762.18
Cash on hand		3.19	4.28
Sub-total		**22,080.17**	**17,528.80**
Less: Cash credit facilities from banks	17b	(3,785.47)	(2,619.08)
Cash and cash equivalents reported in statement of cash flow		**18,294.70**	**14,909.72**

Changes in liabilities arising from financing activities and changes in assets arising from non-cash investing activities relating to right of use assets — 13 & 34

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

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

per **Sudhir Kumar Jain**
Partner
Membership no.: 213157

Bengaluru
May 16, 2026

S.R. Batliboi & Associates LLP Bengaluru

For and on behalf of the Board of Directors of
Provident Housing Limited
CIN: U45200KA2008PLC048273

Ashish Joy Puravankara
Director
DIN 00504524

Amanda Joy Puravankara
Whole-time Director
DIN 07128042

Bengaluru
May 16, 2026

PROVIDENT HOUSING LIMITED BANGALORE

Provident Housing Limited
CIN:U45200KA2008PLC048273
Statement of changes in equity for the year ended March 31, 2026
(All amounts in Indian Rs. lakhs, unless otherwise stated)

A. Equity share capital
(refer note 15)

Particulars	As at 01 April 2024	Movement during 2024-25	As at March 31, 2025	Movement during 2025-26	As at March 31, 2026
Equity share capital of face value of Rs. 10 each fully paid 800 lakhs (March 31, 2025 - 800 lakhs) equity shares	800.00	-	800.00	-	800.00
	800.00	-	800.00	-	800.00

B. Other equity
(refer note 16)

Particulars	General Reserve	Other contributions by the Holding Company	Debenture Redemption Reserve	Retained Earnings	Total
Balance as at April 01, 2024	-	1,087.04	1,000.00	24,703.88	26,790.92
Profit/(loss) for the year	-	-	-	(3,394.85)	(3,394.85)
Other comprehensive income for the year	-	-	-	(47.64)	(47.64)
Total comprehensive income for the year	-	-	-	(3,442.49)	(3,442.49)
Share based expenses/(credit) for the year	-	137.31	-	-	137.31
Transfer to debenture redemption reserve	-	-	4,170.00	(4,170.00)	-
Balance as at March 31, 2025	-	1,224.35	5,170.00	17,091.39	23,485.74
Profit/(loss) for the year	-	-	-	(293.00)	(293.00)
Other comprehensive income for the year	-	-	-	33.74	33.74
Total comprehensive income for the year	-	-	-	(259.26)	(259.26)
Share based expenses/(credit) for the year	-	(133.25)	-	-	(133.25)
Transfer from debenture redemption reserve	274.40	-	(274.40)	-	-
Balance as at March 31, 2026	274.40	1,091.10	4,895.60	16,832.13	23,093.23

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

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

per Sudhir Kumar Jain
Partner
Membership no.: 213157

Bengaluru
May 16, 2026

S.R. Batliboi & Associates LLP
Bengaluru

For and on behalf of the Board of Directors of
Provident Housing Limited
CIN: U45200KA2008PLC048273

Ashish Raja Puravankara
Director
DIN 00504524

Amanda Joy Puravankara
Whole-time Director
DIN 07128042

Bengaluru
May 16, 2026

PROVIDENT HOUSING LIMITED
BANGALORE

Provident Housing Limited
CIN: U45200KA2008PLC048273
Notes to Financial Statements for the year ended March 31, 2026
(All amounts in Indian Rs. Lakhs, unless otherwise stated)

1. Corporate information

Provident Housing Limited (the 'Company') was incorporated on November 14, 2008 under the provisions of the Companies Act applicable in India ("Act"). The registered office is located at 130/1, Ulsoor Road, Bengaluru 560042, India. The Company is engaged in the business of real estate development.

The financial statements were approved for issue in accordance with a resolution of the Board of Directors of the Company on May 16, 2026.

2. Material accounting policies

2.1 Basis of preparation

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

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

The financial statements are presented in Indian Rupees (INR or Rs.) and all values are rounded off to the nearest lakhs with 2 decimals (INR 1,00,000), except when otherwise indicated.

2.2 Summary of material accounting policies

(a) Use of estimates

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

(b) Current versus non-current classification

The Company segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified period up to four years as its operating cycle.

(c) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

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 its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day 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.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take 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.

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PROVIDENT HOUSING LIMITED BANGALORE

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is de-recognized.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

(d) Depreciation on property, plant and equipment

Depreciation is calculated on straight line method using the following useful lives estimated by the management, which are equal to those prescribed under Schedule II to the Companies Act, 2013, except certain categories of assets whose useful life is estimated by the management based on planned usage and technical evaluation thereon:

Category of Asset	Useful lives (in years)	Useful lives as per Schedule II (in years)
Buildings	60	60
Plant and machinery	10	15
Furniture and fixtures	10	10
Computer equipment - End user devices	3	3
Office equipment	5	5
Motor Vehicles	8	8

Leasehold improvements are depreciated on straight line basis over the remaining period of lease or the asset's estimated useful life, whichever is shorter.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets comprising of computer software are amortized using straight line method over a period of six years, which is estimated by the management to be the useful life of the asset.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when asset is derecognized.

(f) Impairment

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

B. Non-financial assets
The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks

S.R. Batliboi & Associates LLP Bengaluru

PROVIDENT HOUSING LIMITED BANGALORE

specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

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

(g) Leases

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

Where the Company is lessee:

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

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2.2(f) Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

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

Where the Company is lessor:

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Rental income under operating leases having variable rental income is recognized as per the terms of the contract.

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PROVIDENT HOUSING LIMITED BANGALORE

(h) Borrowing costs

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

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

The Company treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

(i) Inventories

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

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

ii. Finished goods - Stock of Flats: Valued at lower of cost and net realizable value.

iii. Raw materials, components and stores: Valued at lower of cost and net realizable value. Cost is determined based on FIFO basis.

iv. Land stock: Valued at lower of cost and net realizable value.

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

(j) Land advances

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

Land/ development rights received under joint development arrangements ('JDA') is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. The amount of non-refundable deposit paid by the Company under JDA is recognized as land advance under other assets and on the launch of the project, the non-refundable amount is transferred as land cost to work-in-progress/ capital work in progress. Further, the amount of refundable deposit paid by the Company under JDA is recognized as deposits under loans.

Management is of the view that these land advances and deposits under joint development arrangements are given under normal trade practices and are neither in the nature of loans nor advance in the nature of loans.

(k) 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. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other credits, 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.

Revenue from sale of real estate units is recognised when (or as) control of such units is transferred to the customer. Revenue is recognised either at point of time or over a period of time based on various conditions as included in the contracts with customers. The entity assesses timing of transfer of control of such units to the customers as transferred over time if one of the following criteria are met:

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PROVIDENT HOUSING LIMITED BANGALORE

- The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.
- The entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

For contracts where control is transferred at a point in time the Company considers the following indicators of the transfer of control of the asset to the customer:

- When the entity obtains a present right to payment for the asset.
- When the entity transfers legal title of the asset to the customer.
- When the entity transfers physical possession of the asset to the customer.
- When the entity transfers significant risks and rewards of ownership of the asset to the customer.
- When the customer has accepted the asset.

If control is not transferred over time as above, the entity considers the same as transferred at a point in time.

Revenue arrangements, which consists of sale of undivided share of land and constructed area to the customer, have been identified by the Company as a single performance obligation, as they are highly interrelated/ interdependent.

For contracts involving sale of real estate unit, the Company receives the consideration in accordance with the terms of the contract in proportion of the percentage of completion of such real estate project and represents payments made by customers to secure performance obligation of the Company under the contract enforceable by customers. Such consideration is received and utilised for specific real estate projects in accordance with the requirements of the Real Estate (Regulation and Development) Act, 2016. Consequently, the Company has concluded that such contracts with customers do not involve any financing element since the same arises for reasons explained above, which is other than for provision of finance to/from the customer.

Further, for projects executed through joint development arrangements not being jointly controlled operations, wherein the land owner/possessor provides land and the Company undertakes to develop properties on such land and in lieu of land owner providing land, the Company has agreed to transfer certain percentage of constructed area or certain percentage of the revenue proceeds, the revenue from the development and transfer of constructed area/revenue sharing arrangement in exchange of such development rights/ land is being accounted on gross basis on launch of the project. Revenue is recognised over time using input method, on the basis of the inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation.

The revenue is measured at the fair value of the land received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the land received cannot be measured reliably, the revenue is measured at the fair value of the estimated construction service rendered to the land owner, adjusted by the amount of any cash or cash equivalents transferred. The fair value so estimated is considered as the cost of land in the computation of percentage of completion for the purpose of revenue recognition as discussed above.

Contract balances:

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Cost to obtain a contract:

The Company recognises as an asset the incremental costs of obtaining a contract with a customer if the Company expects to recover those costs. The Company incurs costs such as sales commission when it enters into a new contract, which are directly related to winning the contract. The asset recognised is amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

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ii) Share in profit/ loss of Limited Liability Partnerships ("LLPs") and partnership firm

The Company's share in profits from LLPs and partnership firm, where the Company is a partner, is recognised as income in the statement of profit and loss as and when the right to receive its profit/ loss share is established by the Company in accordance with the terms of contract between the Company and LLPs and partnership entity.

iii) Recognition of revenue from other operating activities
Assignment / cancellation fee is recognised at the point in time as per terms of the contract.

Income on cancellation of joint development arrangements is recognised at the point in time as per terms of the contract.

iv) Interest income

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

v) Dividend income

Revenue is recognised when the Company's right to receive dividend is established, which is generally when shareholders approve the dividend.

(l) Foreign currency translation

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

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

(m) Retirement and other employee benefits

Retirement benefits in the form of state governed Employee Provident Fund and Employee State Insurance are defined contribution schemes (collectively the 'Schemes'). The Company has no obligation, other than the contribution payable to the Schemes. The Company recognizes contribution payable to the Schemes as expenditure, when an employee renders the related service. The contribution paid in excess of amount due is recognized as an asset and the contribution due in excess of amount paid is recognized as a liability.

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company recognizes re-measurement gains and losses on defined benefit plans (net of tax) to retained earnings.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method, made at the end of each financial year. Actuarial gains/losses are immediately taken to the statement of profit and loss. The Company presents the accumulated leave liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(n) Share-based payments

The employees of the Company are covered under the share-based schemes of the Holding Company. The Company accounts for such share -based payment transaction as equity-settled since the obligation to settle the share-based payment transaction is with the Holding Company and not with the Company.

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Equity-settled transactions:
The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model and subsequently remeasured only for changes in non-market vesting conditions. Further details are given in note 44.

The cost is recognised in employee benefits expense, together with a corresponding increase in equity as a contribution from the parent, over the period in which the performance and/or service conditions are fulfilled. The expense or credit recognised in the Statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in Employee benefits expense.

(o) Income taxes

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

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

i. Current income tax

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

ii. Deferred income tax

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

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

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

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

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

(p) Provisions, contingent liabilities and contingent assets

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

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

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not recognize the contingent asset in its financial statements since this may result in the recognition of income that may never be realised. Where an

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inflow of economic benefits is probable, the Company disclose a brief description of the nature of contingent assets at the end of the reporting period. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and the Company recognize such assets.

Provisions, contingent liabilities and contingent assets are reviewed at each reporting date.

(q) Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value at initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability, except for transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss which are immediately recognized in statement of profit and loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

i. Financial assets at fair value through other comprehensive income
Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at fair value through profit or loss
Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. Investments in debt instruments have been measured at fair value through profit or loss.

iii. Debt instruments at amortized cost
Investment in debt instrument is measured at fair value through profit and loss.
A 'debt instrument' is measured at the amortized cost if both the following conditions are met.
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

iv. Investment in subsidiaries and joint ventures:
Investment in subsidiaries and joint ventures are carried at cost. Impairment recognized, if any, is reduced from the carrying value.

v. De-recognition of financial asset
The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

vi. Financial liabilities
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The subsequent measurement of financial liabilities depends on their classification, which is described below.

vii. Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

viii. Financial liabilities at amortized cost
Financial liabilities are subsequently measured at amortized cost using the effective interest ('EIR') method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

ix. De-recognition of financial liability
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability

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are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

x. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

(r) Cash dividend to equity holders of the Company

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized 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.

(s) Earnings Per Share

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

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

(t) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. For the purpose of the Company's statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding cash credit/bank overdrafts as they are considered an integral part of the Company's cash management.

(u) Events after the reporting period

If the Company receives information after the reporting period, but prior to the date of approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Company will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company will not change the amounts recognised in its financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

2.3 Significant accounting judgments, estimates and assumptions

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

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

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

i) Revenue from contracts with customers

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

a) Identification of performance obligation

Revenue consists of sale of undivided share of land and constructed area to the customer, which have been identified by the Company as a single performance obligation, as they are highly interrelated/ interdependent. In assessing whether performance obligations relating to sale of undivided share of land and constructed area are highly interrelated/ interdependent, the Company considers factors such as:

- whether the customer could benefit from the undivided share of land or the constructed area on its own or together with other resources readily available to the customer.
- whether the entity will be able to fulfil its promise under the contract, to transfer the undivided share of land without transfer of constructed area or transfer the constructed area without transfer of undivided share of land.

b) Timing of satisfaction of performance obligation

Revenue from sale of real estate units is recognised when (or as) control of such units is transferred to the customer. The entity assesses timing of transfer of control of such units to the customers as transferred over time if one of the following criteria are met:

- The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.
- The entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If control is not transferred over time as above, the entity considers the same as transferred at a point in time.

For contracts where control is transferred at a point in time the Company considers the following indicators of the transfer of control of the asset to the customer:

- When the entity obtains a present right to payment for the asset.
- When the entity transfers legal title of the asset to the customer.
- When the entity transfers physical possession of the asset to the customer.
- When the entity transfers significant risks and rewards of ownership of the asset to the customer.
- When the customer has accepted the asset.

The aforesaid indicators of transfer of control are also considered for determination of the timing of derecognition of investment property.

c) Accounting for revenue and land cost for projects executed through joint development arrangements

For projects executed through joint development arrangements, the Company has evaluated that land owners are not engaged in the same line of business as the Company and hence has concluded that such arrangements are contracts with customers. The revenue from the development and transfer of constructed area/revenue sharing arrangement and the corresponding land/ development rights received under JDA is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. The fair value is estimated with reference to the terms of the JDA (whether revenue share or area share) and the related cost that is allocated to discharge the obligation of the Company under the JDA. Fair value of the construction is considered to be the representative fair value of the revenue transaction and land so obtained. Such assessment is carried out at the launch of the real estate project and is not reassessed at each reporting period. The management is of the view that the fair value method and estimates are reflective of the current market condition.

d) Significant financing component

For contracts involving sale of real estate unit, the Company receives the consideration in accordance with the terms of the contract in proportion of the percentage of completion of such real estate project and represents payments made by customers to secure performance obligation of the Company under the contract enforceable by customers. Such consideration is received and utilised for specific real estate projects in accordance with the requirements of the Real Estate (Regulation and Development) Act, 2016. Consequently, the Company has concluded that such contracts with customers do not involve any financing element since the same arises for reasons explained above, which is other than for provision of finance to/from the customer.

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ii) Estimation of net realizable value for inventory and land advance

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

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

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

With respect to land inventory and land advance given, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

iii) Impairment of non-financial assets

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

iv) Defined benefit plans - Gratuity

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates and expected salary increase thereon.

v) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and market risk. Changes in assumptions about these factors could affect the reported fair value of financial instruments

vi) Measurement of financial instruments at amortized cost

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

vii) Useful life and residual value of property, plant and equipment, and intangible assets

The useful life and residual value of property, plant and equipment, and intangible assets are determined based on evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimates the useful life and residual value are sensitive to the actual usage in future period.

viii) Provision for litigations and contingencies

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

ix) Deferred tax assets

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, which involves judgements around estimation of future taxable profit. Due to judgements involved in such estimation, the same is sensitive to the actual outcome in future periods.

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2.4 New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

i) Amendments to Ind AS 21 - Lack of exchangeability

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments do not have a material impact on the Company's financial statements.

ii) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.
The amendments are effective for annual reporting periods beginning on or after 1 April 2025 retrospectively in accordance with Ind AS 8.

The amendments do not have a material impact on the Company's financial statements.

iii) Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments do not have a material impact on the Company's financial statements.

iv) International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:
- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 April 2025, but not for any interim periods ending on or before 31 March 2026.

The amendments do not have a material impact on the Company's financial statements.

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Provident Housing Limited
CIN:U45200KA2008PLC048273
Notes to Financial Statements for the year ended March 31, 2026
(All amounts in Indian Rs. Lakhs, unless otherwise stated)

3 Property, plant and equipment

Particulars	Plant and machinery	Office equipments	Computer equipments- end user devices	Furniture and fixtures	Vehicles	Leasehold improvements	Right of use asset *	Total
Gross carrying amount**								
At April 1, 2024	33.50	119.51	103.84	106.49	106.25	161.29	922.97	1,553.85
Additions	-	3.76	6.73	-	-	-	-	10.49
Disposals	-	-	-	-	-	-	-	-
At March 31, 2025	33.50	123.27	110.57	106.49	106.25	161.29	922.97	1,564.34
Additions	-	2.54	2.55	-	-	-	-	5.09
Disposals	-	25.76	-	2.43	-	-	127.49	155.68
At March 31, 2026	33.50	100.05	113.12	104.06	106.25	161.29	795.48	1,413.75
Accumulated depreciation								
At April 1, 2024	28.04	59.04	93.55	37.11	21.32	39.63	350.29	628.98
Charge for the year	3.11	15.00	5.36	9.33	12.41	30.64	183.53	259.38
Adjustments for disposals	-	-	-	-	-	-	-	-
At March 31, 2025	31.15	74.04	98.91	46.44	33.73	70.27	533.82	888.36
Charge for the year	0.29	14.18	5.37	9.15	12.41	30.64	156.59	228.63
Adjustments for disposals	-	24.47	-	2.19	-	-	127.49	154.15
At March 31, 2026	31.44	63.75	104.28	53.40	46.14	100.91	562.92	962.84
Net block								
At March 31, 2025	2.35	49.23	11.66	60.05	72.52	91.02	389.15	675.98
At March 31, 2026	2.06	36.30	8.84	50.66	60.11	60.38	232.56	450.91

*Refer note (c) below and note 34

** On transition to Ind AS (i.e. 1 April 2015), the Company had elected to continue with the carrying value (net block value) of all property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment

Notes:

a. Capitalised borrowing cost

There are no borrowing costs capitalised during the year ended March 31, 2026 and March 31, 2025

b. Property, plant and equipment pledged as security

Details of assets pledged are as per note 17

(c) Breakup of right of use asset

Particulars	Buildings	Furniture and fixtures	Total
At April 01, 2024	795.48	127.49	922.97
Additions	-	-	-
Disposals	-	-	-
At March 31, 2025	795.48	127.49	922.97
Additions	-	-	-
Disposals	-	127.49	127.49
At March 31, 2026	795.48	-	795.48
Accumulated depreciation			
At April 01, 2024	280.60	69.69	350.29
Charge for the year	141.03	42.50	183.53
Adjustments for disposals	-	-	-
At March 31, 2025	421.63	112.19	533.82
Charge for the year	141.29	15.30	156.59
Adjustments for disposals	-	127.49	127.49
At March 31, 2026	562.92	-	562.92
Net block			
At March 31, 2025	373.85	15.30	389.15
At March 31, 2026	232.56	-	232.56

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Provident Housing Limited
CIN:U45200KA2008PLC048273
Notes to Financial Statements for the year ended March 31, 2026
(All amounts in Indian Rs. Lakhs, unless otherwise stated)

4 Intangible assets

Particulars	Computer software	Total
Gross carrying amount**		
At April 1, 2024	81.94	81.94
Additions	3.30	3.30
Disposals	-	-
At March 31, 2025	85.24	85.24
Additions	0.43	0.43
Disposals	-	-
At March 31, 2026	85.67	85.67
Accumulated amortization		
At April 1, 2024	31.82	31.82
Charge for the year	11.46	11.46
Adjustments for disposals	-	-
At March 31, 2025	43.28	43.28
Charge for the year	10.68	10.68
Adjustments for disposals	-	-
At March 31, 2026	53.96	53.96
Net block		
At March 31, 2025	41.96	41.96
At March 31, 2026	31.71	31.71

** On transition to Ind AS (i.e. 1 April 2015), the Company had elected to continue with the carrying value (net block value) of intangibles measured as per the previous GAAP and use that carrying value as the deemed cost of intangible Assets.
Note: The Company has not revalued its property, plant and equipment and intangible assets.

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5 **Non- current investments**
Investments- valued at cost unless stated otherwise

	March 31, 2026	March 31, 2025
(A) Equity instruments (unquoted)		
(i) Investment in subsidiaries (fully paid-up)		
Provident Meryta Private Limited		
0.01 lakh (March 31, 2025 - 0.01 lakh) equity shares of Rs. 100 each	1 00	1 00
Provident Cedar Private Limited		
0.01 lakh (March 31, 2025 - 0.01 lakh) equity shares of Rs. 100 each	1.00	1 00
D V. Infrahomes Private Limited		
(also refer Note 35(b)(iv) for the investment under dispute with minority shareholders)		
18.00 lakh (March 31, 2025 - 18.00 lakh) equity shares of Rs. 10 each	180 00	180 00
Varishtha Properties Developers Private Limited		
0.01 lakh (March 31, 2025 - 0.01 lakh) equity shares of Rs. 100 each	1 00	1 00
Purva Sapphire Land Private Limited		
0.1 lakh (March 31, 2025 - 0 1 lakh) equity shares of Rs. 10 each	1 00	1 00
Purva Blue Home Ventures Private Limited*		
0.1 lakh (March 31, 2025 - Nil) equity shares of Rs. 10 each	1.00	1 00
Purva Good Earth Properties Private Limited		
0.10 lakh (March 31, 2025 - 0.10 lakh) equity shares of Rs. 10 each	2,429 71	2,429.71
(ii) Investment in fellow subsidiary (fully paid-up)		
Purva Asset Management Private Limited (Fellow Subsidiary)*	0 00	0.00
(B)Other investments (unquoted)		
(i) Investment in limited liability partnerships		
Devas Global Services LLP (Fellow Subsidiary)*		
Provident White Oaks LLP (Subsidiary)#	0 00	0.00
Pune BLR 99 Developers LLP (Subsidiary)	12.05	260.65
Total Investments	0.09	0.09
	2,626.85	2,875.45
Notes		
a) Aggregate amount of quoted investments actively traded and market value thereof	-	-
b) Aggregate amount of unquoted investments		
Also refer note 30, 33 and 35	2,626 85	2,875 45

* The Company has made investment in Devas Global Services LLP in financial year 2018-19 amounting to Rs 100 only, and in Purva in Asset Management Private Limited in financial year 2021-22 amounting to Rs.10 only

The Company has provided securities by way of pledge of investments in equity shares and partnership interest for the loans taken by the Company

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6 Loans

Current	**March 31, 2026**	**March 31, 2025**
Unsecured, considered good		
Loans to holding company (refer note 33)	19,700.67	2,104.77
Loans to subsidiaries (refer note 33)	32,948.78	4,514.44
	52,649.45	**6,619.21**

(i) Loans due by directors or other officers of the Company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member

	March 31, 2026	March 31, 2025
Dues from Purva Good Earth Properties Private Limited in which the Company's director is a director	-	2,171.56
Dues from Varishtha Properties Developers Private Limited in which the Company's director is a director	578.69	475.09
Dues from Purva Sapphire Land Private Limited in which the Company's director is a director	32.80	32.80
Dues from Purva Blue Home Ventures Private Limited in which the Company's director is a director	14,895.94	-
Dues from Provident Cedar Private Limited in which the Company's director is a director	273.78	-
Dues from Provident Meryta Private Limited in which the Company's director is a director	857.49	-
Dues from KVN Property Holdings LLP in which the Company's director is a designated partner	15,606.36	-

(ii) Loans:
Loans (repayable on demand) due from

	March 31, 2026		March 31, 2025	
	Amount	% of total	Amount	% of total
Holding company	19,700.67	37%	2,104.77	32%
Directors	-	0%	-	0%
Key managerial personnel	-	0%	-	0%
Subsidiaries	32,948.78	63%	4,514.44	68%
	52,649.45	100%	6,619.21	100%

Note:
a) During the year the Company has provided loans and securities to companies and limited liability partnerships as follows

	Security	Loans	Security	Loans
Aggregate amount granted/ provided during the year	Year ended March 31, 2026		Year ended March 31, 2025	
- Subsidiaries	-	29,091.09	-	12,485.68
-Others (Holding company)	8,403.00	25,195.66	5,448.88	2,045.58

	Security	Loans	Security	Loans
Balances outstanding as at the balance sheet date in respect of above cases	As at March 31, 2026		As at March 31, 2025	
- Subsidiaries	-	32,948.78	-	4,514.44
-Others (Holding company)	8,403.00	19,700.67	5,448.88	2,104.77

During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee and provided security to any other parties
Note: Balance outstanding includes receivables towards interest income on such loans

b) During the year, the investments made, security given and the terms and conditions of the grant of all loans and securities given to companies and limited liability partnerships are not prejudicial to the Company's interest, the investments made, loans and security are given to such parties considering the Company's economic interest and long-term trade relationship with such parties

c) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days

d) There were no loans granted to companies and other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

e)The Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

Particulars	Year ended March 31, 2026			Year ended March 31, 2025		
	All Parties	Promoters	Related parties	All Parties	Promoters	Related parties
Aggregate amount of loans						
-Repayable on demand	54,286.75	25,195.66	29,091.09	14,531.26	2,045.58	12,485.68
Percentage of loans to the total loans	100%	46.41%	53.59%	100%	14.08%	85.92%

f) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 ('the Act) are applicable have been complied with by the Company

g) Also refer note 35(b)(iv) for loan of Rs.703.72 lakhs (March 31, 2025: Rs. 703.72 lakhs) to D V Infrahomes Private Limited under dispute with minority shareholders

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7 Other financial assets (Unsecured, considered good)

a Non current

	March 31, 2026	March 31, 2025
Non-current bank balances (refer note 14)		
Recoverables under Joint Development Arrangements *	831 45	1,224 26
Recoverables towards society maintenance charges *	495 62	5,666 99
Security deposits	269 25	269 25
Deposits under joint development arrangements *	126 98	113 74
	4,273 08	4,262 31
	5,996.38	**11,536.55**

*Also refer note 35(b)(iv)

b Current

	March 31, 2026	March 31, 2025
Recoverables under Joint Development Arrangements	28 48	563 46
Recoverables towards society maintenance charges	1,835 49	1,325 59
Current Bank Balances (refer note 14)	790 11	86 01
Receivables upon settlement of Joint Development Arrangements	51 42	32 34
Recoverables from employees	12 08	4 87
	2,717.58	**2,012.27**

8 Deferred tax assets/(liabilities) (net)

Deferred tax asset arising on account of :	March 31, 2026	March 31, 2025
Impact of expenditure charged to the statement of profit and loss in a year but allowed for tax purposes in subsequent years	140 15	163 81
Impact of income recognised for tax purposes in a year but recognised in the statement of profit and loss in subsequent years (impact of Ind AS 115 accounting)	2,598 05	1,945 93
Lease Liability - IND AS 116		
Property, plant and equipment and Intangible assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	85 31	123 62
	29 91	34 41
	2,853.42	**2,267.77**
Less: Deferred tax liability arising on account of :		
ROU Asset- IND AS 116	(57 99)	(97 40)
Impact of expenditure allowed for tax purposes in a year charged to the statement of profit and loss in the subsequent years	(44 10)	(44 10)
Impact of fair value gain on acquisition of subsidiary	(611 26)	(611 26)
	(713.35)	**(752.76)**
Deferred tax assets (net)	**2,140.07**	**1,515.01**

Movement in deferred tax assets (net) for the year ended March 31, 2026	Balance as at April 1, 2025	Recognised in statement of profit and loss	Recognised in OCI	Balance as at March 31, 2026
Deferred tax asset arising on account of :				
Impact of expenditure charged to the statement of profit and loss in a year but allowed for tax purposes in subsequent years	163 81	(12 89)	(10 77)	140 15
Impact of income recognised for tax purposes in a year but recognised in the statement of profit and loss in subsequent years (impact of Ind AS 115 accounting)	1,945 93	652 12	-	2,598 05
Lease Liability - IND AS 116				
Property, plant and equipment and Intangible assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	123 62	(38 31)	-	85 31
	34 41	(4 50)	-	29 91
Less: Deferred tax liability arising on account of :				
	2,267.77	**596.42**	**(10.77)**	**2,853.42**
ROU Asset- IND AS 116	(97 40)	39 41	-	(57 99)
Impact of expenditure allowed for tax purposes in a year charged to the statement of profit and loss in the subsequent years	(44 10)	-	-	(44 10)
Impact of fair value gain on acquisition of subsidiary	(611 26)	-	-	(611 26)
	(752.76)	**39.41**	-	**(713.35)**
Deferred tax assets (net)	**1,515.01**	**635.83**	**(10.77)**	**2,140.07**

Movement in deferred tax assets (net) for the year ended March 31, 2025	Balance as at April 1, 2024	Recognised in statement of profit and loss	Recognised in OCI	Balance as at March 31, 2025
Deferred tax asset arising on account of :				
Impact of expenditure charged to the statement of profit and loss in a year but allowed for tax purposes in subsequent years	235 85	(88 06)	16 02	163 81
Impact of income recognised for tax purposes in a year but recognised in the statement of profit and loss in subsequent years (impact of Ind AS 115 accounting)	1,756 98	188 95	-	1,945 93
Lease Liability - IND AS 116				
Property, plant and equipment and Intangible assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	234 92	(111 30)	-	123 62
	40 72	(6 31)	-	34 41
Less: Deferred tax liability arising on account of :	**2,268.47**	**(16.72)**	**16.02**	**2,267.77**
ROU Asset- IND AS 116	(200 11)	102 72	-	(97 40)
Impact of expenditure allowed for tax purposes in a year charged to the statement of profit and loss in the subsequent years	(55 30)	11 20	-	(44 10)
Impact of fair value gain on acquisition of subsidiary	(848 69)	237 42	-	(611 26)
	(1,104.10)	**351.34**	-	**(752.76)**
Deferred tax assets (net)	**1,164.37**	**334.62**	**16.02**	**1,515.01**

Reconciliation of deferred tax assets	March 31, 2026	March 31, 2025
Net deferred tax asset at the beginning of the year	1,515 01	1,164 37
Tax income/(expense) during the year recognized in profit and loss	635 83	334 62
Tax income/(expense) during the year recognized in OCI	(10 77)	16 02
Net deferred tax asset at the end of the year	**2,140.07**	**1,515.01**





9 Assets for current tax (net)

	March 31, 2026	March 31, 2025
Advance income tax [net of provision for taxation]	859.99	1,076.37
	859.99	1,076.37

10 Other assets (Unsecured, considered good)

	March 31, 2026	March 31, 2025
a Non-current		
Deposits with government authorities	122.97	122.96
Advances for land contracts*	1,390.32	1,199.92
Duties and taxes recoverable	426.41	1,088.87
	1,939.70	2,411.75
b Current		
Advances to suppliers	11,742.05	11,096.88
Prepaid expenses	9,154.05	5,511.23
Duties and taxes recoverable	3,128.96	2,881.51
Advances to employees	25.06	-
	24,050.12	19,489.62

* Advances for land though unsecured, are considered good as the advances have been given based on arrangements/ memorandum of understanding executed by the Company and the Company/ seller/ intermediary is in the course of obtaining clear and marketable title, free from all encumbrances, including for certain properties under litigation. The management is confident of obtaining clear and marketable title in the future. Also refer note 35.

11 Inventories
(valued at lower of cost and net realisable value)

	March 31, 2026	March 31, 2025
Raw materials and components	315.49	83.48
Land stock	6,578.80	6,578.80
Work-in-progress	1,85,813.84	1,43,650.11
Stock of flats	40,934.44	83,983.41
	2,33,642.57	2,34,295.80

Note: a) Amount of write down of inventories recognised during the year is Rs. 114.86 lakhs (March 31, 2025: Rs.233.66 lakhs)
b) Details of assets pledged are as per note 17 and 33

12 Trade receivables

Unsecured, considered good	March 31, 2026	March 31, 2025
Dues from related parties	740.95	422.11
Dues from others	21,308.24	17,230.11
	22,049.19	17,652.22

Note: Details of assets pledged are as per note 17

Debts due by directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member

	March 31, 2026	March 31, 2025
Purva Realities Private Limited in which Company's director is a director	203.47	177.88
Purva Good Earth Properties Private Limited in which Company's director is a director	6.41	3.82
Provident Whiteoaks LLP in which Company is a partner	-	113.98
Purva Blue Home Ventures Private Limited in which Company's director is a director	356.87	-
T-Hills Private Limited in which Company's director is a director	2.13	-
KVN Property Holdings LLP in which Company's director is a designated partner	43.02	-

Trade receivables Ageing Schedule

As at 31 March 2026	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables considered good	16,968.00	1,533.05	2,105.41	299.37	1,143.36	22,049.19
Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable credit impaired	-	-	-	-	-	-
Disputed Trade receivables considered good	-	-	-	-	-	-
Disputed Trade receivables which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables credit impaired	-	-	-	-	-	-
Total	16,968.00	1,533.05	2,105.41	299.37	1,143.36	22,049.19

Trade receivables Ageing Schedule

As at 31 March 2025	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables considered good	13,903.46	1,414.74	589.54	692.80	1,051.68	17,652.22
Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable credit impaired	-	-	-	-	-	-
Disputed Trade receivables considered good	-	-	-	-	-	-
Disputed Trade receivables which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables credit impaired	-	-	-	-	-	-
Total	13,903.46	1,414.74	589.54	692.80	1,051.68	17,652.22

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13 Cash and cash equivalents

	March 31, 2026	March 31, 2025
Balances with banks		
In current accounts	16,675 88	8,762 34
Bank deposits with original maturity of three months or less	5,401 10	8,762 18
Cash on hand	3 19	4.28
	22,080.17	17,528.80

Note 1

Changes in liabilities arising from financing activities

	Amount (Rs. In Lakhs)
(a) Borrowings:	
Balance as at April 1, 2024	**62,811.32**
Add: Cash inflows	1,21,469 46
Less: Cash outflows	(95,933 24)
Add: Finance costs	13,881 54
Less: Finance costs paid	(13,527 56)
Add: Net movement in cash credit considered as cash and cash equivalent	2,619 08
Others *	(63.44)
Balance as at March 31, 2025	**91,257.16**
Add: Cash inflows	64,069.09
Less: Cash outflows	(51,127 12)
Add: Finance costs	15,145 08
Less: Finance costs paid	(13,600 19)
Add: Net movement in cash credit considered as cash and cash equivalent	1,166 38
Others *	(43.69)
Balance as at March 31, 2026	**1,06,866.71**

* includes exclusion of interest on lease liability which is separately considered below in the movement of lease liability

(b) Lease Liability	
Balance as at April 1, 2024	
Additions	**672.28**
Add: Interest accrued during the year	-
Less: Cash outflows	63 44
Balance as at March 31, 2025	(244 56)
Additions	**491.16**
Add: Interest accrued during the year	-
Less: Cash outflows	43 69
Balance as at March 31, 2026	(195 88)
	338.97

14 Bank balances other than cash and cash equivalents

	March 31, 2026	March 31, 2025
Current		
Deposits with original maturity for more than 3 months but less than 12 months	3,416 48	-
Deposits with original maturity for more than 12 months and remaining maturity less than 12 months	790 11	86 01
	4,206.59	**86.01**
Less: Amount disclosed under other current financial assets (refer note 7)	(790.11)	(86.01)
	3,416.48	-
Non-current		
Deposits with original maturity for more than 12 months and remaining maturity more than 12 months	21 00	11 79
Margin money deposits	810 45	1,212 47
	831.45	**1,224.26**
Amount disclosed under other Non current financial assets (refer note 7)	(831.45)	(1,224.26)
	-	-

Notes:

1) Margin money deposits represent earmarked bank balances restricted for use held as margin money for security against the guarantee facilities availed by the Company

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15 Equity share capital

	March 31, 2026	March 31, 2025
Authorized share capital		
Equity share capital of face value of Rs. 10 each		
250 lakhs (March 31, 2025 - 250 lakh) equity shares of Rs. 10 each	2,500.00	2,500.00
Issued, subscribed and fully paid-up shares		
Equity share capital of face value of Rs. 10 each		
80 lakh (March 31, 2025 - 80 lakh) equity shares of Rs. 10 each	800.00	800.00
	800.00	800.00

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

Equity shares

	March 31, 2026		March 31, 2025	
	No. in Lakhs	Rs. Lakhs	No. in Lakhs	Rs. Lakhs
Balance at the beginning of the year	80.00	800.00	80.00	800.00
Movement during the year	-	-	-	-
Outstanding at the end of the year	**80.00**	**800.00**	**80.00**	**800.00**

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. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend

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

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

	March 31, 2026	March 31, 2025
Puravankara Limited, the holding company		
80 lakh (March 31, 2025 - 80 lakh) equity shares of Rs. 10 each	800.00	800.00

d. Details of shareholders holding more than 5% shares in the company

	March 31, 2026		March 31, 2025	
	No. in lakhs	% holding in the class	No. in lakhs	% holding in the class
Equity shares of Rs. 10 each fully paid-up				
Puravankara Limited	80.00	100%	80.00	100%

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

e. Details of shares held by promoters

As at 31 March 2026

Promoter Name	Class of equity shares	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% of change during the year
Puravankara Limited	Equity shares of Rs. 10 each	80.00	-	80.00	100%	-

As at 31 March 2025

Promoter Name	Class of equity shares	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% of change during the year
Puravankara Limited	Equity shares of Rs. 10 each	80.00	-	80.00	100%	-

f. Aggregate number and class of shares allotted as fully paid up by way of bonus shares for the period of five immediately preceding years:

On June 28, 2022, pursuant to a bonus issue approved by shareholders at the Extraordinary General Meeting held on June 17, 2022, the Company had allotted 79,50,000 fully paid up equity shares of face value of Rs.10 each in the ratio of 159:1, i.e., 159 bonus share of Rs 10 each fully paid up for every 1 share of Rs 10 each fully paid held in the Company. The bonus shares had been issued by way of capitalization of retained earnings.

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16 Other equity

Reserves and surplus	March 31, 2026	March 31, 2025
(i) Retained earnings		
Balance at the beginning of the year	17,091.39	24,703.88
Profit/(loss) after tax	(293.00)	(3,394.85)
Other comprehensive income**	33.74	(47.64)
Total comprehensive income for the year	(259.26)	(3,442.49)
Transfer to debenture redemption reserve	-	(4,170.00)
Balance at the end of the year	**16,832.13**	**17,091.39**
(ii) Other contributions by the Holding Company*		
Balance at the beginning of the year	1,224.35	1,087.04
Share based expenses/(credit) for the year	(133.25)	137.31
Balance at the end of the year	**1,091.10**	**1,224.35**
(iii) Debenture Redemption Reserve		
Balance at the beginning of the year	5,170.00	1,000.00
Change during the year	(274.40)	4,170.00
Balance at the end of the year	**4,895.60**	**5,170.00**
(iv) General Reserve		
Balance at the beginning of the year	-	-
Add: Transfer from debenture redemption reserve	274.40	-
Balance at the end of the year	**274.40**	-
Total other equity	**23,093.23**	**23,485.74**

* Represents other contributions by shareholders in the nature of financial guarantee benefit received by the Company from the holding company Rs.1,028.75 lakhs (March 31, 2025: Rs. 1028.75 lakhs) and contribution from holding company corresponding to cost of share based schemes recognised in accordance with Ind AS 102 Rs. 62.35 lakhs (March 31, 2025: Rs.195.60 lakhs)

**As required under Ind AS compliant Schedule III, the Company has recognised remeasurement gains/(losses) on defined benefit plans (net of tax) as part of retained earnings.

Nature and purpose of reserve

1. Retained earnings

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

2. Debenture Redemption Reserve

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

3. General reserve

General reserve represents amounts transferred from retained earnings/debenture redemption reserve, which can be utilised in accordance with the provisions of the Companies Act, 2013.

17 Borrowings

	March 31, 2026	March 31, 2025
a Non-current borrowings		
Secured loans		
Term loans		
From banks	27,974.27	3,493.50
From others	4,943.55	5,296.56
	32,917.82	**8,790.06**
Current maturities of long-term borrowings disclosed under "Current borrowings"	(32,917.82)	(8,511.59)
	-	**278.47**
b Current borrowings		
Unsecured		
Loans repayable on demand		
Loans from related parties (Refer note 33)	7,597.05	5,842.62
	7,597.05	**5,842.62**
Secured		
Loans repayable on demand		
Cash credit from banks	3,785.47	2,619.08
Term loans		
From banks	-	5,477.35
From others	13,610.37	16,925.68
Debentures		
Nil (March 31, 2025- 1,000) secured unlisted redeemable non-convertible debentures of Rs.10 lakhs each	-	9,846.91
4,896 (March 31, 2025- 4,170) unlisted, unrated, secured, redeemable, non-convertible debentures of face value Rs. 10 lakhs each	48,956.00	41,755.46
Current maturities of long-term borrowings		
Term loans		
From banks	27,974.27	3,390.66
From others	4,943.55	5,120.93
	99,269.66	**85,136.07**
	1,06,866.71	**90,978.69**

Note 1: Amounts due within 12 months

Amount of borrowings repayable within 12 months are:	8,473.61	18,708.29

Note 2: Assets pledged as security

The carrying amounts of assets pledged as security for borrowings are:		
Trade receivables	15,076.85	15,163.67
Inventories	1,96,860.84	2,17,575.64
Investments	13.05	261.65
Property, plant and equipment	60.09	72.51
Total assets pledged as security	**2,12,010.83**	**2,33,073.46**

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17. Borrowings (continued)

Note 3: Details of nature of security, guarantees given by directors and repayment terms of borrowings
Non-current borrowings -secured (including Current maturities of long-term borrowings)

Category of loan	March 31, 2026	March 31, 2025	Effective interest rate	Maturity year	Repayment details	Nature of security	Nature of guarantee
Term loans from banks	222.14	115.91	8-9%	Upto 2030	14 quarterly installments post moratorium period of 33 months	Underlying project inventory and assignment of project receivables	Nil
Term loans from banks	5,373.74	3,335.66	10-11%	Upto 2029	14 Quarterly instalments post moratorium period of 36 months	Underlying project inventory and assignment of project receivables	Corporate guarantee by the holding company
Term loans from banks	18.01	41.93	7-8%	Upto 2026	60 montly instalments	Hypothecation of vehicles	Nil
Term loans from banks	22,360.39	-	10-11%	Upto 2031	Repayable periodically from a portion of project collections or 60 monthly installments, whichever is earlier.	Underlying project inventory and assignment of project receivables	Corporate guarantee by the holding company
Subtotal	27,974.27	3,493.50					
Term loans from others	4,943.55	5,296.56	12-14%	Upto 2029	10 Quarterly instalments post moratorium period of 15 months	Underlying project inventory and assignment of project receivables	Corporate guarantee by the holding company
Subtotal	4,943.55	5,296.56					
Total	32,917.82	8,790.06					

Current borrowings secured

Category of loan	March 31, 2026	March 31, 2025	Effective interest rate	Maturity year	Repayment details	Nature of security	Nature of guarantee
Term loans from banks	-	5,477.35	10-11%	Upto 2026	24 monthly installments post moratorium of 12 months	Underlying project inventory and assignment of project receivables	Corporate guarantee by the holding company
Subtotal	-	5,477.35					
Term loans from others	-	1,482.90	12-13%	Upto 2025	10 quarterly instalments post moratorium period of 6 months	Underlying project inventory and assignment of project receivables	Corporate guarantee by the holding company
Term loans from others	11,621.28	15,442.78	12-14%	Upto 2027	16 Quarterly Installments	Underlying project inventory and assignment of project receivables	Corporate guarantee by the holding company
Term loans from others	1,989.09	-	12-13%	Upto 2028	9 quarterly installments with moratorium of 3 Quarters	Underlying project inventory and assignment of project receivables	Nil
Subtotal	13,610.37	16,925.68					
Debentures	-	9,846.91	16-17%	Upto 2026	4 Quarterly instalments post moratorium period of 33 months	Underlying project inventory and assignment of project receivables	Corporate guarantee by the holding company
Debentures	48,956.00	41,755.46	16-17%	Upto 2029	Repayable periodically from a portion of project collections and balance repayable at the end of 5 years	Underlying project inventory and assignment of project receivables Project inventory and assignment of project receivables of holding company and subsidiaries. Pledge of shares in the subsidiary and partnership interest in subsidiaries	Corporate guarantee by the holding company and subsidiaries
Subtotal	48,956.00	51,602.37					
Cash credit from banks	1,417.55	933.59	9-10%	On demand	On demand	Underlying project inventory and assignment of project receivables	Corporate guarantee by the holding company and subsidiaries
Cash credit from banks	2,367.92	1,685.49	9-10%	On demand	On demand	Underlying project inventory and assignment of project receivables	Nil
Subtotal	3,785.47	2,619.08					
Total	66,351.84	76,624.48					

Current borrowings unsecured

Category of loan	March 31, 2026	March 31, 2025	Effective interest rate	Maturity	Repayment details	Nature of security	Nature of guarantee
Loans from Holding company	-	1,333.66	Nil	On demand	On demand	Unsecured	Nil
Loans from other related parties	7,597.05	4,508.96	0-17%	On demand	On demand	Unsecured	Nil
Subtotal	7,597.05	5,842.62					
Grand Total	73,948.89	82,467.10					

As at March 31, 2026, the Company has available Rs. 460.00 lakhs (March 31, 2025 Rs. 25,200 lakhs) of undrawn committed borrowing facilities

Note 4:

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

b) The Company has loans amounting to Rs. 11,382.52 lakhs repayable on demand. Such loans and interest thereon have not been demanded for repayment during the year. The Company has not defaulted in repayment of other borrowings or interest thereon to any lender.

c) The above loans were applied for the purpose for which such loans were obtained.

d) No funds raised on short-term basis have been used for long-term purposes by the Company.





17. Borrowings (continued)

e) The Company has taken funds from following entities and persons on account of or to meet the obligations of its subsidiaries as per details below

March 31, 2026

Nature of fund taken	Name of the lender	Amount involved (Rs. In lakhs)	Name of the subsidiary	Relation	Nature of transaction for which funds utilized
Debentures	HDFC Capital Affordable Real Estate Fund-3	12,500.00	KVN Property Holdings LLP ("KVN")	Step down Subsidiary	Loan given to KVN for repayment of loan (Rs. 8,000 lakhs) and funding of its project costs (Rs. 4,500 lakhs)
		1,000.00	Purva Blue Home Ventures Private Limited ("PBHV")	Subsidiary	Loan given to PBHV for investment in KVN by way of contribution to Partner's capital account (Rs. 1,000 lakhs)

March 31, 2025

Nature of fund taken	Name of the lender	Amount involved (Rs. In lakhs)	Name of the subsidiary	Relation	Nature of transaction for which funds utilized
Debentures	HDFC Capital Affordable Real Estate Fund-3	1,000.00	Provident White Oaks LLP	Subsidiary	Working capital requirements

f) The Company has raised loans during the year on the pledge of securities held in its subsidiaries, as per details below. Further, the Company has not defaulted in repayment of such loans raised.

March 31, 2026

Nature of loan taken	Name of Lender	Amount of loan (Rs. In lakhs)	Name of subsidiaries	Relation	Details of security pledged
Debenture	HDFC Capital Affordable Real Estate Fund-III	15,000.00	a) Purva Blue Home Ventures Private Limited	Subsidiary	a) Investments with carrying value of Rs. 1 lakh
			b) Provident White Oaks LLP	Subsidiary	b) Investments with carrying value of Rs. 12.05 lakhs
			c)KVN Property Holdings LLP	Step-down subsidiary	c) Investments by Purva Blue Home Ventures Private Limited with carrying value of Rs. 708.28 lakhs

March 31, 2025

Nature of loan taken	Name of Lender	Amount of loan (Rs. In lakhs)	Name of subsidiaries	Relation	Details of security pledged
Debenture	HDFC Capital Affordable Real Estate Fund-III	55,000.00	a) Purva Blue Home Ventures Private Limited	Subsidiaries	a) Investments with carrying value of Rs. 1 lakh
			b) Provident White Oaks LLP		b) Investments with carrying value of Rs. 260.65 lakhs

g) The Company has assessed the applicable borrowing related covenants and are compliant with such covenants. The Company has no indication that it will have difficulty in complying with such covenants.

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18 Trade payables

	March 31, 2026	March 31, 2025
Trade payable		
- Total outstanding dues of micro enterprises and small enterprises		
- Total outstanding dues of creditors other than micro and small enterprises	810.43	597.27
Payable to others	16,064.26	11,597.34
Payable to related parties (refer note 33)	2,006.28	3,615.19
	18,880.97	15,809.80

Disclosures of dues to Micro and Small enterprises

The information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors

i. The principal amount remaining unpaid	736.52	525.44
ii. Interest due thereon remaining unpaid	73.91	71.83
iii. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iv. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	-	-
v. The amount of interest accrued during the year and remaining unpaid	73.91	71.83
vi. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

Trade payables Ageing Schedule

As at 31 March 2026	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	644.82	102.40	25.72	37.49	810.43
Total outstanding dues of creditors other than micro enterprises and small enterprises	14,081.28	1,807.34	78.72	2,103.20	18,070.54
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	14,726.10	1,909.74	104.44	2,140.69	18,880.97

Trade payables Ageing Schedule

As at 31 March 2025	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	444.23	39.77	88.39	24.88	597.27
Total outstanding dues of creditors other than micro enterprises and small enterprises	9,724.20	443.79	3,406.13	1,638.41	15,212.53
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	10,168.43	483.56	3,494.52	1,663.29	15,809.80

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19 Other financial liabilities

Current

	March 31, 2026	March 31, 2025
Society Maintenance deposits	352 14	409 81
Security deposits	2 10	2 10
Employee benefits payable	3 21	-
Liability towards current account balance in subsidiary (refer note 33)	10,556 12	5,666 49
	10,913.57	6,078.40

20 Provisions

a Non-current

	March 31, 2026	March 31, 2025
Provision for employee benefits		
Gratuity (refer note 36)	280 71	324 85
	280.71	324.85

b Current

Provision for employee benefits		
Leave benefits	151.62	177.23
Provision for litigations		
Provision for claims (refer note 35 (b)(iii))	-	5,171 39
	207 27	207 27
	358.89	5,555.89

Notes:

1) Nature of provision

Provision for claims

Represents provision towards compensation payable to customers for delays in completion of certain real estate projects

Movement in provision:

	March 31, 2026	March 31, 2025
Opening balance	207 27	207.27
Additions/(reversal)	-	-
Closing balance	207 27	207 27

Provision for litigations was created towards ongoing litigations related to indirect taxes. Provision was based on the reliable estimates of the amount required to settle the obligation for such ongoing litigations in the ensuing year. Following is the movement in provision for litigations:

Opening balance	5,171 39	-
Additions	-	5,171 39
Deletions	(5,171 39)	-
Closing balance	-	5,171 39

21 Other current liabilities

	March 31, 2026	March 31, 2025
Deferred revenue	1,95,528 58	1,52,242 32
Statutory dues payable	734 29	1,286 17
Liability under joint development arrangement*	16,827 24	20,377 34
Liability towards Corporate Social Responsibility	28.01	22.16
	2,13,118.12	1,73,927.99

*includes amount payable to landowners where the Company has entered into joint development arrangements with landowners for joint development of properties on land in lieu of which, the Company has agreed to transfer certain percentage of constructed area/ revenue proceeds, net of revenue recognised.

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22 Revenue from operations

		March 31, 2026	March 31, 2025
Revenue from contracts with customers			
Revenue from real estate development (refer note 38)		75,805 03	33,468 29
	(A)	**75,805.03**	**33,468.29**
Other operating revenues			
Income on cancellation of joint development arrangement		-	2,445 22
Share of profit /(loss) in partnership entities		(244 92)	(509 56)
Assignment/cancellation fees		534.42	455.51
	(B)	**289.50**	**2,391.17**
	(A)+(B)	76,094.53	35,859.46

23 Other income

	March 31, 2026	March 31, 2025
Interest on financial assets:		
Bank deposits	626 21	414 75
Security deposits	279 34	497 96
Loan to related parties	3,446 23	298 15
Others	127 43	81 11
Interest on income tax refund	73 26	11 88
Development management fee	148 31	161 06
Provisions/liabilities no longer required written back	147 97	85 61
Miscellaneous income	532.15	341.46
	5,380.90	1,891.98

24a Cost of raw materials and components consumed

	March 31, 2026	March 31, 2025
Inventories at the beginning of the year	83 48	81 67
Add: Purchases during the year	2,309 91	2,453 51
	2,393.39	**2,535.18**
Less: Inventories at the end of the year	315.49	83.48
Cost of raw materials and components consumed	2,077.90	2,451.70

24b (Increase)/ decrease in inventories of stock of flats, land stock and work-in-progress

	March 31, 2026	March 31, 2025
Inventories at the beginning of the year		
Land stock	6,578 80	6,578 80
Work-in-progress	1,43,650 11	1,45,477 84
Stock of flats	83,983 41	20,770.93
Less: De-recognition of inventory upon cancellation/amendment to joint development arrangements	(602 81)	(4,117 18)
Inventories at the end of the year		
Land stock	(6,578 80)	(6,578 80)
Work-in-progress	(1,85,813 84)	(1,43,650 11)
Stock of flats	(40,934 44)	(83,983 41)
	282.43	(65,501.93)

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25 Employee benefits expense

	March 31, 2026	March 31, 2025
Salaries, wages and bonus	5,851 20	5,812 30
Contribution to provident fund and other funds	134 48	130 54
Staff welfare	152 97	141 73
Employee share based payment expense/ (credit) (refer note 44)	(133.25)	137.31
	6,005.40	6,221.88

26 Finance costs

	March 31, 2026	March 31, 2025
Interest on financial liabilities		
- Borrowings*	14,983 59	13,758 07
- Others	69 30	20 36
Bank charges	48 50	39 67
Interest on lease liabilities (note 34)	43.69	63 44
	15,145.08	13,881.54

*Gross of interest of Rs 10,456.11 lakhs (March 31, 2025: Rs.12,762 70 lakhs) inventorised to qualifying work in progress. The rate used to determine the amount of borrowing costs eligible for capitalisation is the effective interest rate of the underlying borrowings which is in the range of 8% to 17%.

27 Depreciation and amortization expense

	March 31, 2026	March 31, 2025
Depreciation of property, plant and equipment (refer note 3)	72.04	75 85
Amortization of intangible assets (refer note 4)	10 68	11 46
Depreciation of Right-of-use assets (note 34)	156 59	183 53
	239.31	270.84

28 Other expenses

	March 31, 2026	March 31, 2025
Travel and conveyance	225 27	326 79
Repairs and maintenance		
- others	1,320 96	735 85
Legal and professional	2,808 96	2,661.58
Rent (refer note 34)	242.08	5 82
Rates and taxes	1,178 25	2,089 63
Security	225 86	186 42
Communication costs	103 90	95 24
Printing and stationery	25 74	29 64
Advertising and sales promotion	2,023 17	2,769 96
Brokerage costs	1,735 13	456 81
Corporate social responsibility expenses (refer note below)	28 01	65 16
Advances/deposits written off	-	449 10
Loss on disposal of property, plant and equipment	1 53	-
Miscellaneous expenses	177 02	324 34
	10,095.88	10,196.34

Notes:

A. Payment to auditor [included in legal and professional charges] *

As auditor:

Audit fee	35 50	35 50
Reimbursement of expenses	2 10	2 10
	37.60	37.60

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Provident Housing Limited
CIN:U45200KA2008PLC048273
Notes to financial statements for the year ended March 31, 2026
(All amounts in Indian Rs. lakhs, unless otherwise stated)

B. Details of CSR expenditure:

	March 31, 2026	March 31, 2025
(a) Gross amount required to be spent during the year	28.01	65.16
(b) Amount approved by the Board to be spent during the year	**28.01**	**65.16**

(c) Amount spent during the year ending on March 31, 2026	Amount spent	Amount yet to be spent	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	-	28.01	28.01
	-	28.01	28.01

(d) Amount spent during the year ending on March 31, 2025	Amount spent	Amount yet to be spent	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	43.00	22.16	65.16
	43.00	22.16	65.16

(e) Details related to spent / unspent obligations:	March 31, 2026	March 31, 2025
(i) Contribution to Public Trust	-	-
(ii) Contribution to Charitable Trust	-	-
(iii) Spent on identified projects	-	43.00
(iii) Unspent money in relation to :		
Ongoing project	28.01	22.16
Other than ongoing project	-	-
	28.01	65.16

(f) Details of other than ongoing and ongoing project:

	Other than ongoing projects		Ongoing projects	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Opening Balance:				
i) With Company	-	-	-	-
ii) In Separate CSR Unspent A/c	-	-	22.16	12.18
Amount required to be spent during the year	-	43.00	28.01	22.16
Amount spent during the year:				
i) From Company's bank A/c	-	43.00	-	-
ii) From Separate CSR Unspent A/c	-	-	22.16	12.18
Closing Balance:				
i) With Company	-	-	-	-
ii) In Separate CSR Unspent A/c	-	-	28.01	22.16

Notes:

a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act

b) All amounts that are unspent under section (5) of section 135 of the Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the Act

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29 Income tax

The major components of income tax expense for the years ended March 31, 2026 and March 31, 2025 are:

	March 31, 2026	March 31, 2025
Statement of profit and loss:		
Profit or loss section:		
Current tax:		
Current income tax charge	667 56	59 63
Deferred tax:		
Relating to origination/ reversal of temporary differences		
> Decrease/(increase) in deferred tax assets	(596 42)	16 72
> (Decrease)/increase in deferred tax liabilities	(39.41)	(351 34)
	(635.83)	(334.62)
Income tax expense reported in the statement of profit and loss	**31.73**	**(274.99)**
OCI section:		
Deferred tax related to items recognised in OCI during the year:		
Income tax charge/(credit) relating to re-measurement gains/losses on defined benefit plans	10 77	(16 02)
Income tax charged to OCI	**10.77**	**(16.02)**
Reconciliation of tax expense and the accounting profit/(loss) multiplied by India's tax rate		
Accounting profit/(loss) before income tax	**(261.27)**	**(3,669.84)**
Income tax rate in India	25 17%	25 17%
Tax on accounting profit/(loss) at statutory income tax rate	(65 76)	(923 63)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Effect of share of loss from partnership entities	61 64	129 17
Effect of non-deductible expenses/ taxable income under income tax	37 10	36 19
Impact of change in tax rate *	-	483.26
Tax effect of others	(1 26)	-
Income tax expense	**31.73**	**(275.00)**

*The Taxation Laws (Amendment) Ordinance, 2019 ('the Ordinance') provides an option to domestic companies to pay income-tax at a lower rate of 25.17%, if it opts for not availing of certain specified exemptions or incentives. In October 2024, the Company had made an assessment of the impact of the Ordinance and had decided to opt for the lower tax rate of 25 17% from the financial year beginning April 01, 2023. Consequently, the Company had measured the current and deferred taxes from the normal rate of 34 94% to the lower rate of 25 17% and the tax expense for the year ended March 31, 2025 was higher by Rs 483 26 lakhs.

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30 Fair value measurements

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

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

> The management assessed the fair values of the unquoted debt instruments using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted instruments.

> The management assessed that the carrying values of cash and bank balances, trade receivables, trade payables, and other financial assets and liabilities approximate their fair values largely due to their short-term maturities.

> The management assessed that the carrying values of bank deposits, borrowings and other financial assets and liabilities approximate their fair values based on cash flow discounting using parameters such as interest rates, tenure of instrument, creditworthiness of the customer and the risk characteristics of the financed project, as applicable.

>The company's investments in it's subsidiaries and joint ventures are accounted at cost

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

Break-up of financial assets carried at fair value through profit or loss ('FVTPL') with movement

Investment in unquoted debt instruments of joint venture	March 31, 2026	March 31, 2025
Opening balance	-	3,671.56
Redemption of debentures	-	(3,671.56)
Closing balance	-	-

Break up of financial assets measured at amortized cost	Notes	March 31, 2026	March 31, 2025
Loans	6	52,649.45	6,619.21
Trade receivables	12	22,049.19	17,652.22
Cash and cash equivalents	13	22,080.17	17,528.80
Bank balances other than cash and cash equivalents	14	3,416.48	-
Other financial assets	7	8,713.96	13,548.82
		1,08,909.25	55,349.05

Break up of financial liabilities measured at amortized cost	Notes	March 31, 2026	March 31, 2025
Non-current borrowings	17a	-	278.47
Current borrowings	17b	1,06,866.71	90,978.69
Lease liabilities	34	338.97	491.16
Trade payable	18	18,880.97	15,809.80
Other financial liabilities	19	10,913.57	6,078.40
		1,37,000.22	1,13,636.52

31 Financial risk management

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

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

a. Credit risk

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

Credit risk management

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

With respect to trade receivables/unbilled revenue, the Company has constituted teams to review the receivables on periodic basis and to take necessary mitigations, wherever required. For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The recoverability of trade receivables is considered good as the handover/possession of residential/commercial units to the customers in case of real estate arrangements or refund of security deposit in case of lease arrangements is not processed till the time the Company collects the entire receivables. Accordingly, the Company does not have any loss allowance based on historical life time credit loss experience and forward looking factor as detailed above.

b. Liquidity risk

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

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

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Maturities of financial liabilities

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities.

March 31, 2026	On demand	Upto 4 years	Above 4 years	Total
Financial liabilities - non-current				
Borrowings	-	-	-	-
Lease liabilities	-	173.65	-	173.65
Financial liabilities - current				
Borrowings	11,382.52	1,31,667.56	-	1,43,050.08
Trade payables	-	18,880.97	-	18,880.97
Lease liabilities	-	198.81	-	198.81
Other financial liabilities	-	10,913.57	-	10,913.57

March 31, 2025	On demand	Upto 4 years	Above 4 years	Total
Financial liabilities - non-current				
Borrowings	-	-	342.13	342.13
Lease liabilities	-	345.00	-	345.00
Financial liabilities - current				
Borrowings	8,461.70	1,19,227.31	-	1,27,689.01
Trade payables	-	15,809.80	-	15,809.80
Lease liabilities	-	220.37	-	220.37
Other financial liabilities	-	6,078.40	-	6,078.40

c. Market risk

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

The sensitivity analysis in the following sections relate to the position as at March 31, 2026 and March 31, 2025. The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations/provisions.

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2026 and March 31, 2025.

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

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

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

Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant. The impact on the entity's profit before tax is due to changes in the fair value of financial assets and liabilities.

Particulars	March 31, 2026	March 31, 2025
Interest rates – increase by 50 basis points (50 bps)	495.31	385.17
Interest rates – decrease by 50 basis points (50 bps)	(495.31)	(385.17)

Note: The above impact is gross of interest to be inventorised to qualifying assets

32 Capital Management

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

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

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

Particulars	March 31, 2026	March 31, 2025
Non current borrowings	-	278.47
Current borrowings	1,06,866.71	90,978.69
Less: Cash and cash equivalents	(22,080.17)	(17,528.80)
Less : Bank balances other than cash and cash equivalents	(3,416.48)	-
Net debt	**81,370.06**	**73,728.36**
Total equity	23,893.23	24,285.74
Gearing ratio	3.41	3.04

In order to achieve the objective of maximize shareholders value, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. Any significant breach in meeting the financial covenants would allow the bank to call borrowings. There have been no breaches in the financial covenants of above-mentioned interest-bearing borrowing.

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

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33 Related party transactions

(1) Names of related parties and nature of relationship with the Company

(i) Party where control exists
Puravankara Limited - Holding Company

(ii) Subsidiaries
Provident Mertya Private Limited
Provident Cedar Private Limited
D.V Infrahomes Private Limited
Varishtha Properties Developers Private Limited
Purva Sapphire Land Private Limited
Purva Good Earth Properties Private Limited
Pune BLR 99 Developers LLP
Provident WhiteOaks LLP
Purva Blue Home Ventures Private Limited
KVN Property Holdings LLP

(iii) Fellow Subsidiaries
Starworth Infrastructure & Construction Limited
IBID Home Private Limited
T-Hills Private Limited
Devas Global Services LLP
Purvacom (Until March 13, 2025)
Melmont Construction Private Limited
Purva Realities Private Limited
Purva Star Properties Private Limited
Propmart Technologies Limited
Purva Woodworks Private Limited
Purva Property Services Private Limited

(iv) Key Management Personnel ('KMP')

a. Directors
Mr. Ashish Ravi Puravankara
Mr. Nani Rusy Choksey
Mr. Anup Shah Sanmukh
Ms. Amanda Joy Puravankara

b. Other Officers
Mr Mallanna Sasalu (Chief Executive Officer) (upto May 29, 2025)

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33 **(2) The transactions with related parties for the year end are as follows:**

Particulars	Holding Company		Fellow Subsidiary		Subsidiary		Key Management Personnel	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Loans received from								
Puravankara Limited	-	27,686.47	-	-	-	-	-	-
Purva Realities Private Limited	-	-	500.00	3,000.00	-	-	-	-
Provident Mertya Private Limited	-	-	-	-	2,063.50	715.94	-	-
Provident Cedar Private Limited	-	-	-	-	192.91	277.73	-	-
Provident WhiteOaks LLP	-	-	-	-	3,475.36	222.81	-	-
Purva Good Earth Properties Private Limited	-	-	-	-	91.44	-	-	-
Loans repaid to								
Puravankara Limited	1,333.66	31,889.44	-	-	-	-	-	-
Starworth Infrastructure & Construction Limited	-	-	-	104.37	-	-	-	-
Provident White Oaks LLP	-	-	-	-	1,568.12	-	-	-
Purva Realities Private Limited	-	-	2,407.75	26.93	-	-	-	-
Provident Cedar Private Limited	-	-	-	-	6.33	1.58	-	-
Provident Mertya Private Limited	-	-	-	-	30.42	3.99	-	-
Purva Good Earth Properties Private Limited	-	-	-	-	0.23	-	-	-
Interest Income on loans								
Puravankara Limited	1,371.51	243.68	-	-	-	-	-	-
Provident WhiteOaks LLP	-	-	-	-	-	54.46	-	-
Purva Blue Home Ventures Private Limited	-	-	-	-	162.25	-	-	-
KVN Property Holdings LLP	-	-	-	-	1,912.47	-	-	-
Loans given to								
Puravankara Limited	25,195.66	2,045.58	-	-	-	-	-	-
Purva Good Earth Properties Private Limited	-	-	-	-	-	6,971.56	-	-
Provident Cedar Private Limited	-	-	-	-	-	157.26	-	-
Varishtha Properties Developers Private Limited	-	-	-	-	103.60	4,500.00	-	-
Provident White Oaks LLP	-	-	-	-	-	856.86	-	-
Purva Blue Home Ventures Private Limited	-	-	-	-	14,749.92	-	-	-
KVN Property Holdings LLP	-	-	-	-	14,237.57	-	-	-
Loans repaid by								
Puravankara Limited	8,971.27	184.49	-	-	-	-	-	-
Purva Good Earth Properties Private Limited	-	-	-	-	2,171.56	4,800.00	-	-
Provident WhiteOaks LLP	-	-	-	-	-	911.32	-	-
Varishtha Properties Developers Private Limited	-	-	-	-	-	4,053.60	-	-
KVN Holdings LLP	-	-	-	-	543.68	-	-	-
Purva Bluehomes ventures	-	-	-	-	16.23	-	-	-
Sub-contractor cost								
Starworth Infrastructure & Construction Limited	-	-	14,777.96	6,336.97	-	-	-	-
Purva Woodworks Private Limited	-	-	100.98	-	-	-	-	-
Management fee income								
Provident WhiteOaks LLP	-	-	-	-	148.31	161.06	-	-

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33 (2) The transactions with related parties for the year end are as follows (continued):

Particulars	Holding Company		Fellow Subsidiary		Subsidiary		Key Management Personnel	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Reimbursement of Expenses from								
Propmart Technologies Limited	-	-	-	107.62	-	-	-	-
Provident Cedar Private Limited	-	-	-	-	4.25	137.10	-	-
Provident Meryta Private Limited	-	-	-	-	15.40	164.41	-	-
T-Hills Private Limited	-	-	-	-	12.43	31.85	-	-
Purva Realities Private Limited	-	-	25.65	115.36	-	-	-	-
Starworth Infrastructure & Construction Limited	-	-	51.37	91.79	-	-	-	-
Purva Good Earth Properties Private Limited	-	-	-	-	26.13	96.61	-	-
Puravankara Limited	289.76	391.24	-	-	-	-	-	-
Varishtha Properties Developers Private Limited	-	-	-	-	-	2.70	-	-
Purva Sapphire Land Private Limited	-	-	-	-	-	1.68	-	-
Provident WhiteOaks LLP	-	-	252.11	241.82	-	-	-	-
Purva Woodworks Private Limited	-	-	8.42	31.85	-	-	-	-
Reimbursement of Expenses to	-	-	-	-				
Puravankara Limited	613.32	638.69	-	-	-	-	-	-
Starworth Infrastructure & Construction Limited	-	-	3.27	0.65			-	-
Propmart Technologies Limited	-	-	-	123.56	-	-	-	-
Provident Cedar Private Limited	-	-	-	-	-	70.98	-	-
Provident Meryta Private Limited	-	-	-	-	-	70.98	-	-
T-Hills Private Limited	1.00	-	-	-	-	-	-	-
Purva Woodworks Private Limited	-	-	-	3.89	-	-	-	-
Brokerage expenses								
Propmart Technologies Limited	-	-	14.09	13.70	-	-	-	-
Purva Woodworks Private Limited	-	-	1.21	-	-	-	-	-
Interest expense on Loans								
Starworth Infrastructure & Construction Limited	-	-	-	7.44	-	-	-	-
Provident Mertya Private Limited	-	-	-	-	304.22	39.87	-	-
Provident Cedar Private Limited	-	-	-	-	63.29	15.78	-	-
Purva Realities Private Limited	-	-	257.46	269.32	-	-	-	-
Provident WhiteOaks LLP	-	-	-	-	150.51	-	-	-
Purva Good Earth Properties Private Limited	-	-	-	-	2.26	-	-	-
Financial guarantee expense								
Puravankara Limited	-	20.35	-	-	-	-	-	-
Guarantee commission charges								
Puravankara Limited	69.30	131.40					-	-
Drawings from subsidiary								
Provident White Oaks LLP	-	-	-	-	4,893.31	2,798.41	-	-
Share of Loss on LLP								
Provident White Oaks LLP	-	-	-	-	244.92	509.56	-	-
Advance paid to								
Starworth Infrastructure & Construction Limited	-	-	6,871.14	5,034.00	-	-	-	-
Investments made								
Purva Blue Home Ventures Private Limited	-	-	-	-	-	1.00	-	-

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33 **(2) The transactions with related parties for the year end are as follows (continued):**

Particulars	Holding Company		Fellow Subsidiary		Subsidiary		Key Management Personnel	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Reduction in Investment								
Pune BLR 99 Developers LLP	-	-	-	-	-	0.59	-	-
Redemption of investment in debenture								
Purva Good Earth Properties Private Limited	-	-	-	-	-	3,671.56	-	-
Security given by pledge of inventory by related parties								
Puravankara Limited	-	1,04,400.00						
Provident White Oaks LLP	-	-	-	-	13,540.51	11,212.07	-	-
Provident Cedar Private Limited	-	-	-	-	1,995.89	7,302.59	-	-
Provident Meryta Private Limited	-	-	-	-	418.60	12,093.56	-	-
Guarantees availed during the year								
Puravankara Limited	38,500.00	73,000.00						
Provident Cedar Private Limited	-	-	-	-	-	4,000.00	-	-
Provident Meryta Private Limited	-	-	-	-	-	6,000.00	-	-
Guarantees closed during the year								
Puravankara Limited	33,900.00	77,355.00	-	-	-	-	-	-
Security given by pledge of inventory to								
Puravankara Limited	8,403.00	-	-	-	-	-	-	-
Security received by pledge of assets closed								
Purva Good Earth Properties Private Limited	-	-	-	-	2,429.71	-	-	-
Security given by pledge of inventory closed								
Puravankara Limited	5,448.88	-	-	-	-	-	-	-
Sitting fees								
Anup S Shah	-	-	-	-	-	-	1.49	2.00
Remuneration - short term employee benefits (Employee benefits expense) *								
Amanda Puravankara	-	-	-	-	-	-	67.55	91.84
Mallanna Sasalu	-	-	-	-	-	-	35.29	444.10
Share based payment expenses (refer note 25)								
Mallanna Sasalu	-	-	-	-	-	-	-	104.88

* As the future liability for gratuity and leave benefits is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

Note: Guarantees details are presented based on sanction limit

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33 (3) The related parties balances as at the year end are as follows (continued):

Particulars	Holding Company		Fellow Subsidiary		Subsidiary		Key Management Personnel	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Loans taken								
Puravankara Limited	-	1,333.66	-	-	-	-	-	-
Purva Realities Private Limited	-	-	1,592.09	3,242.38				
Provident Cedar Private Limited	-	-	-	-	541.80	291.93	-	-
Provident Meryta Private Limited	-	-	-	-	3,089.13	751.83	-	-
Provident White Oaks LLP	-	-	-	-	2,280.56	222.81	-	-
Purva Good Earth Properties Private Limited	-	-	-	-	93.47	-	-	-
Loans given								
Puravankara Limited	19,700.67	2,104.77	-	-	-	-	-	-
Purva Good Earth Properties Private Limited	-	-	-	-	-	2,171.56	-	-
Provident Cedar Private Limited	-	-	-	-	273.78	275.78	-	-
Provident Meryta Private Limited	-	-	-	-	857.49	857.49	-	-
D.V. Infrahomes Private Limited	-	-	-	-	703.72	701.72	-	-
Varishtha Properties Developers Private Limited	-	-	-	-	578.69	475.09	-	-
Purva Sapphire Land Private Limited	-	-	-	-	32.80	32.80	-	-
Purva Blue Home Ventures Private Limited	-	-	-	-	14,895.94	-	-	-
KVN Property Holdings LLP	-	-	-	-	15,606.36	-	-	-
Advances to suppliers								
Starworth Infrastructure & Construction Limited	-	-	2,399.54	4,124.47	-	-	-	-
Due to related parties								
Starworth Infrastructure & Construction Limited	-	-	1,416.09	2,456.85	-	-	-	-
Puravankara Limited	287.14	707.69	-	-	-	-	-	-
Provident White Oaks LLP	-	-	-	-	57.89	113.98	-	-
Purva Property Services Private Limited	-	-	-	-	-	-	-	-
Purva Woodworks Private Limited	-	-	133.59	243.19	-	-	-	-
Varishtha Properties Developers Private Limited	-	-	-	-	3.53	-	-	-
Provident Meryta Private Limited	-	-	-	-	46.82	63.30	-	-
Varishtha Properties Developers Private Limited	-	-	-	-	-	-	-	-
Purva Sapphire Land Private Limited	-	-	-	-	0.03	-	-	-
Provident Cedar Private Limited	-	-	-	-	50.55	54.17	-	-
Purva Blue Home Ventures Private Limited	-	-	-	-	-	-	-	-
Purva Oak Private Limited	-	-	-	-	0.34	-	-	-
Purva Star Properties Private Limited	-	-	-	-	10.30	-	-	-

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33 (3) The related parties balances as at the year end are as follows (continued):

Particulars	Holding Company		Fellow Subsidiary		Subsidiary		Key Management Personnel	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Due from related parties								
Propmart Technologies Limited	-	-	126.41	123.56	-	-	-	-
D.V. infrahomes Private Limited	-	-	-	-	2.64	2.64	-	-
Purva Realities Private Limited	-	-	203.47	177.88	-	-	-	-
T-Hills Private Limited	-	-	2.13	0.22	-	-	-	-
Provident White Oaks LLP	-	-	-	-	-	113.98	-	-
Purva Blue Home Ventures Private Limited	-	-	356.87	-	-	-	-	-
KVN Property Holdings LLP	-	-	43.02	-	-	-	-	-
Purva Good Earth Properties Private Limited	-	-	-	-	6.41	3.82	-	-
Security given by pledge of inventory by								
Puravankara Limited	1,04,400.00	1,04,400.00	-	-	-	-	-	-
Provident White Oaks LLP	-	-	-	-	24,752.58	11,212.07	-	-
Provident Cedar Private Limited	-	-	-	-	9,298.48	7,302.59	-	-
Provident Meryta Private Limited	-	-	-	-	12,512.16	12,093.56	-	-
Security given by pledge of inventory to								
Puravankara Limited	8,403.00	5,448.88	-	-	-	-	-	-
Security by way of pledge of investments								
Purva Good Earth Properties Private Limited	-	-	-	-	-	2,429.71	-	-
Guarantees given by								
Puravankara Limited	1,32,000.00	1,27,400.00	-	-	-	-	-	-
Provident Cedar Private Limited	-	-	-	-	4,000.00	4,000.00	-	-
Provident Meryta Private Limited	-	-	-	-	6,000.00	6,000.00	-	-

(4) Other information:

1. Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables, other than those disclosed above. The Company has not recorded any provision/ write-off of receivables relating to amounts owed by related parties
2. In respect of the transactions with the related parties, the Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013 where applicable, and the details have been disclosed above, as required by the
3. The Company has given loans to related parties and has provided guarantees on behalf of related parties for loans taken by them from third parties. Such loans are intended to be used by the related parties to fund their business
4. The Company is committed to provide financial support to some of its investee entities to ensure that these entities operate on going concern basis and are able to meet their debts and liabilities as they fall due.
5. The managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
6. The share based payment expense represents expense recognised as per Ind AS 102. The value of perquisite in this regard under Income Tax Act 1961 is Nil as no option has been exercised during the year.
7. Also refer 35 (b)(ii)

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34 Leases

Company as a lessee:

The Company has entered into a non cancellation lease arrangement for buildings and furniture and fixtures for 3 to 6 years.The Company also has certain leases of buildings with lease terms upto 12 months. The Company has applied the 'short-term lease' recognition exemptions for these leases and the Company does not have "lease of low value assets"

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	March 31, 2026	March 31, 2025
Opening Balance	389.15	572.68
Additions	-	-
Depreciation expense	(156.59)	(183.53)
Closing balance	232.56	389.15
Note: Also refer note 03		

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	March 31, 2026	March 31, 2025
Opening Balance	491.16	672.28
Additions	-	-
Accretion of interest	43.69	63.44
Payments	(195.88)	(244.56)
Closing balance	338.97	491.16
Current	170.76	176.70
Non-current	168.21	314.46
Note: Also refer note 13(b)		

The maturity analysis of lease liabilities is disclosed in note 31
The effective interest rate for lease liabilities is 10% to 11% per annum

The following are the amounts recognised in profit or loss:

	March 31, 2026	March 31, 2025
Depreciation expense of right-of-use assets	156.59	183.53
Interest expense on lease liabilities	43.69	63.44
Expense relating to short-term leases (included in other expenses)	242.08	5.82
Total amount recognised in profit or loss	442.36	252.79
Amounts of cash outflows from leases		
Payment towards principal portion of lease liabilities	152.19	181.12
Payment towards interest portion of lease liabilities	43.69	63.44
Amounts of non-cash additions to right-of-use assets and lease liabilities		
Right of use assets	-	-
Lease liabilities	-	-

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35 Commitments and contingencies

a. Other commitments

(i) As at March 31, 2026, the Company has contracts remaining to be executed on capital account that were not provided for is Rs Nil (March 31, 2025 - Rs. Nil).

(ii) As at March 31, 2026, the Company has given Rs.5,663.40 lakhs (March 31, 2025: Rs.5,462.23 lakhs) as advances/deposits for purchase of land/ joint development. Under the agreements executed with the land owners, the Company is required to make further payments and/or give share in area/ revenue from such development in exchange of undivided share in land based on the agreed terms/ milestones.

(iii) The Company is committed to provide financial support to some of its investee entities to ensure that these entities operate on going concern basis and are able to meet their debts and liabilities as they fall due.

b. Contingent liabilities

	March 31, 2026	March 31, 2025
i) Claims against the company not acknowledged as debts towards pending tax litigations:		
- Service tax	4,895.42	4,895.42
- Income tax	1,219.70	992.77
- Goods and service Tax [net of provision -Nil (March 31, 2025: Rs. 5,171.39 lakhs)]	2,951.83	3,651.82
ii) Security given for Parent Company's borrowings from Banks/Financial institutions	8,403.00	5,448.88

iii) The Company is carrying provision of Rs. 207.27 lakhs (March 31, 2025: Rs. 207.27 lakhs) towards compensation payable to its customers for delays in completion of certain RERA-registered real estate projects. After considering the circumstances and evaluation thereon, the management believes that these delays will not have any further impact on these financial statements.

(iv) Ongoing legal proceedings related to property, income tax search and other matters

a)The Company is subject to ongoing legal proceedings in respect of the following matters:

(i) Deposits and advances of Rs. 770.00 lakhs (March 31, 2025: Rs. 770.00 lakhs) towards joint development arrangements and land acquisitions which are subject to legal proceedings related to obtaining clear and marketable title for underlying properties.
(ii) Claims from minority shareholders of a subsidiary of Rs. 3,500.00 lakhs (March 31, 2025: Rs. 3,500.00 lakhs) towards adherence to project development terms.
(iii) Other balances of Rs. 760.00 lakhs (March 31, 2025: Rs. 6,470.00lakhs) recoverable from joint development partners and other parties which are subject to litigations.

Pending resolution of the aforesaid legal proceedings,no provision has been made towards aforesaid claims and deposits, advances and other balances referred above are classified as good and recoverable in the accompanying financial statements based on the legal evaluation by the management of the ultimate outcome of the legal proceedings.

b) A search under section 132 of the Income Tax Act ('the Act') was conducted in October 2023 in case of the Company, certain group companies and its promoters. Pursuant to the proceedings of the Income tax authorities ('the authorities'), requisite information was provided by the Company to the authorities.

The Company has received assessment orders from the authorities disallowing certain expenses on the grounds that the same are not incurred for the purpose of business, with potential tax impact of Rs.518.90 lakhs from AY 2019-20 to AY 2024-25 (March 31, 2025: Rs. 114.07 lakhs from AY 2019-20 to AY 2023-24). The Company is of the view that these expenses have been incurred in the ordinary course of business towards its ongoing real estate development projects. The Company has filed the appeal against such assessment orders and is reasonably confident of providing necessary supporting evidences to the authorities in support of allowance of such expenses.

Pending resolution of the aforesaid legal proceedings, no provision has been made towards the consequential impact arising from such assessment orders in the accompanying financial statements, based on the legal evaluation by the management of the ultimate outcome of the legal proceedings.

v) The Company is also subject to certain legal proceedings and claims, which have arisen in the ordinary course of business, including certain litigation for commercial development or land parcels held for construction purposes, either through joint development arrangements or through outright purchases, the impact of which is not quantifiable. These cases are pending with various courts/statutory authorities. After considering the circumstances and legal evaluation thereon, the management believes that these cases will not have an adverse effect on the financial statements.

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

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PROVIDENT HOUSING LIMITED BANGALORE

36 Defined benefit plan - Gratuity

The Company has gratuity as defined benefit retirement plan for its employees. The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity at the rate of 15 days basic salary for each year of service until the retirement age. As at March 31, 2026, the plan assets were invested in insurer managed funds.

The following tables set out the funded status of gratuity plans and the amount recognized in Company's financial statements

	March 31, 2026	March 31, 2025
i. The amounts recognized in the Balance Sheet are as follows:		
Present value of the obligation as at the end of the year	675.23	558.81
Fair value of plan assets	(394.52)	(233.97)
Net liability recognized in the Balance Sheet	**280.71**	**324.84**
Non-current	280.71	324.85
Current	-	-
ii. Changes in the present value of defined benefit obligation		
Defined benefit obligation as at beginning of the year	558.81	397.50
Current service cost	141.86	118.37
Interest cost	39.50	28.26
Actuarial losses/(gains) arising from		
- change in financial assumptions	(37.32)	22.60
- experience variance (i.e. Actual experiences assumptions)	4.90	42.95
Benefits paid	(77.16)	(42.50)
Transfer in /(out)	(2.28)	(8.37)
Past service cost	46.92	-
Defined benefit obligation as at the end of the year	**675.23**	**558.81**
iii. Changes in the fair value of plan assets		
Fair value as at the beginning of the year	233.97	-
Return on plan assets	27.71	1.89
Contributions	210.00	254.00
Benefits paid	(77.16)	(21.92)
Fair value as at the end of the year	**394.52**	**233.97**
Discount rate	7.30%	6.75%
Further Salary Increase	7.00%	7.00%
Attrition rate	6.00%	6.00%

iv. Net gratuity cost for the year comprises of following components.

	March 31, 2026	March 31, 2025
Current service cost	141.86	118.37
Net interest cost on the net defined benefit liability	23.87	28.26
Past service cost	46.92	-
Defined benefit costs recognized in Statement of Profit and Loss	**212.65**	**146.63**

v. Other Comprehensive Income

	March 31, 2026	March 31, 2025
Change in demographic assumptions	-	-
Change in financial assumptions	(37.32)	22.60
Experience variance (i.e. Actual experience vs assumptions)	4.90	42.95
Return on plan assets, excluding amount recognised in net interest expense	(12.09)	-
Defined benefit costs recognized in other comprehensive income	**(44.51)**	**65.55**

vi. Experience adjustments

	March 31, 2026	March 31, 2025	March 31, 2024	March 31, 2023	March 31, 2022
Defined benefit obligation as at the end of the year	675.23	558.81	397.50	323.33	245.02
Plan assets as at the end of the year	394.52	233.97	-	-	-
Net surplus/(deficit)	(280.71)	(324.84)	(397.50)	(323.33)	(245.02)
Experience adjustments on plan liabilities	4.90	42.95	4.89	(24.76)	(15.63)
Experience adjustments on plan assets	-	-	-	-	-

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vii. Sensitivity Analysis

A quantitative sensitivity analysis for significant assumption for Gratuity plan is as shown below

	March 31, 2026		March 31, 2025	
Assumptions	Discount Rate		Discount Rate	
Sensitivity Level	(1.00%)	1.00%	(1.00%)	1.00%
Impact on defined benefit obligation (Rs. lakhs)	72.60	(62.33)	63.55	(54.16)
% change compared to base due to sensitivity	10.75%	(9.23%)	11.37%	(9.69%)
Assumptions	Further Salary Increase		Further Salary Increase	
Sensitivity Level	(1.00%)	1.00%	(1.00%)	1.00%
Impact on defined benefit obligation (Rs. lakhs)	(63.14)	72.20	(54.59)	62.85
% change compared to base due to sensitivity	(9.35%)	10.69%	(9.77%)	11.25%
Assumptions	Attrition Rate		Attrition Rate	
Sensitivity Level	(1.00%)	1.00%	(1.00%)	1.00%
Impact on defined benefit obligation (Rs. lakhs)	7.58	(8.55)	14.48	(12.51)
% change compared to base due to sensitivity	1.12%	(1.27%)	2.59%	(2.24%)

Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There are no changes from the previous period in the methods and assumptions used in preparing the sensitivity analysis

There is no change in the method of valuation for the prior period.

viii. Effect of Plan on Entity's Future Cash Flows

a. Expected contributions to the plan asset for the next annual reporting period - Rs. Nil (March 31, 2025: Nil)

b. Maturity profile of the defined benefit obligation

	March 31, 2026	March 31, 2025
Upto 1 year	33.72	27.78
More than 1 year and upto 5 years	205.63	156.35
More than 5 years	1,405.53	1,132.55
Total expected payments (on undiscounted basis)	**1,644.88**	**1,316.68**

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (31 March 2025: 9 years)

Note

The Government of India has implemented four new Labour Codes ("Labour Codes"), including the Code on Wages, 2019, with effect from November 21, 2025. The Ministryof Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has carried out actuarial valuation as on March 31, 2026 considering the provisions of the Labour Codes and recorded additional obligation of Rs. 46.92 lakhs, which has been recorded as Employee benefits expense in the financial statements for the year ended March 31, 2026. The Company continues to monitor the finalization of the rules and clarifications from the Government on the Labour Codes and would provide appropriate accounting effect, if any, as and when such clarifications are issued / rules are notified.

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Provident Housing Limited
CIN:U45200KA2008PLC048273
Notes to financial statements for the year ended March 31, 2026
(All amounts in Indian Rs. lakhs, unless otherwise stated)

37 Financial Ratios

a **Ratio** — Current ratio
Numerator — Current Assets
Denominator — Current Liabilities

Ratios/Measures	March 31, 2026	March 31, 2025
Current Assets (A)	3,60,605 56	2,97,597 92
Current Liabilities (B)	3,50,309 02	2,92,527 47
Current Ratio (C) = (A) / (B)	**1.03**	**1.02**
% of change from previous year	**1.19%**	

b **Ratio** — Debt Equity ratio
Numerator — Total Debt
Denominator — Shareholder's Equity

Ratios/Measures	March 31, 2026	March 31, 2025
Total Debt (A)	1,06,866 71	91,257 16
Shareholder's Equity (B)	23,893 23	24,285 74
Debt Equity ratio (C) = (A) / (B)	**4.47**	**3.76**
% of change from previous year	**19.03%**	

c **Ratio** — Debt Service Coverage ratio
Numerator — Earnings available for debt service
Denominator — Debt service

Ratios/Measures	March 31, 2026	March 31, 2025
Profit/(loss) after tax (A)	(293 00)	(3,394 85)
Add: Non cash operating expenses and finance cost		
Depreciation expense (B)	239 31	270 84
Finance costs net of inventorisation (C)	4,688 97	123 47
Earnings available for debt services (D) = (A)+(B)+(C)	**4,635.28**	**(3,000.54)**
Finance costs (E)	15,145 08	13,881 54
Repayment of borrowings (F)	51,127 12	95,933 24
Payment of lease liabilities (G)	152 19	244 56
Debt service (H) = (E) + (F) + (G)	**66,424.39**	**1,10,059.34**
Debt service coverage ratio (I) = (D) / (H)	**0.07**	**(0.03)**
% of change from previous year	**(355.96%)**	

The ratio has changed mainly due to decrease in losses in current year compared to previous year and decrease in repayment of borrowings during the current year compared to the previous year

d **Ratio** — Return on equity ratio
Numerator — Profit after tax
Denominator — Average shareholders' equity

Ratios/Measures	March 31, 2026	March 31, 2025
Profit/(loss) after tax (A)	(293 00)	(3,394 85)
Closing Shareholders Equity (B)	23,893 23	24,285 74
Average shareholder's equity [(Opening + Closing)/2] (C)	24,089 49	25,938 33
Return on equity ratio (D) = (A) / (C)	**(0.01)**	**(0.13)**
% of change from previous year	**(90.71%)**	

The ratio has changed mainly due to decrease in losses in current year compared to previous year

e **Ratio** — Inventory Turnover ratio
Numerator — Cost of goods sold (Sub-contractor cost, Cost of materials consumed, purchase of land stock, change in inventories and finance cost)
Denominator — Average Inventory

Ratios/Measures	March 31, 2026	March 31, 2025
Cost of goods sold (A)	65,396 11	24,732 22
Closing Inventory (B)	2,33,642 57	2,34,295 80
Average Inventory [(opening + closing) /2] (B)	2,33,969 19	2,03,602 52
Inventory Turnover ratio (C) = (A) / (B)	**0.28**	**0.12**
% of change from previous year	**130.10%**	

The ratio has changed mainly due to increase in cost of goods sold during the current year compared to the previous year

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Provident Housing Limited
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Notes to financial statements for the year ended March 31, 2026
(All amounts in Indian Rs. lakhs, unless otherwise stated)

f Ratio

Numerator Trade receivables turnover ratio
Denominator Revenue from operations
Average trade receivables

Ratios/Measures	March 31, 2026	March 31, 2025
Revenue from operations (A)	76,094.53	35,859.46
Closing trade receivables (B)	22,049.19	17,652.22
Average Trade Receivables [(opening + closing) /2] (B)	19,850.71	13,025.52
Trade receivables turnover ratio (C) = (A) / (B)	**3.83**	**2.75**
% of change from previous year	**39.24%**	

The ratio has changed mainly due to increase in revenue from operations in the current year compared to previous year

g Ratio

Numerator Trade payable turnover ratio
Total purchases
(Sub-contractor cost, Cost of materials consumed, purchase of land stock)
Denominator Average trade payables

Ratios/Measures	March 31, 2026	March 31, 2025
Total purchases (A)	49,968.60	10,850.68
Closing trade payables (B)	18,880.97	15,809.80
Average Trade Payables [(opening + closing) /2] (B)	17,345.39	13,026.54
Trade payables turnover ratio (C) = (A) / (B)	**2.88**	**0.83**
% of change from previous year	**245.85%**	

The ratio has changed mainly due to increase in purchases in the current year compared to previous year

h Ratio

Numerator Net capital turnover ratio
Denominator Revenue from operations
Working capital (Current Assets - Current Liabilities)

Ratios/Measures	March 31, 2026	March 31, 2025
Revenue from operations (A)	76,094.53	35,859.46
Working Capital (B)	10,296.54	5,070.45
Net capital turnover ratio (C) = (A) / (B)	7.39	7.07
% of change from previous year	**4.50%**	

i Ratio

Numerator Net profit ratio
Denominator Profit after tax
Revenue from operations

Ratios/Measures	March 31, 2026	March 31, 2025
Profit/(loss) after tax (A)	(293.00)	(3,394.85)
Revenue from operations (B)	76,094.53	35,859.46
Net profit ratio (C) = (A) / (B)	(0.00)	(0.09)
% of change from previous year	**(95.93%)**	

The ratio has changed mainly due to decrease in losses in current year compared to previous year

j Ratio

Numerator Return on capital employed
Denominator Earning before interest and taxes
Capital Employed (Total equity, Total borrowings and Total lease liabilities)

Ratios/Measures	March 31, 2026	March 31, 2025
Profit/(loss) after tax (A)	(293.00)	(3,394.85)
Adjustments:-		
Add: Tax expenses (B)	31.73	(274.99)
Add: Finance cost (C) (net of inventorisation)	4,688.97	123.47
Earnings before interest and tax (D) = (A) + (B) + (C)	**4,427.70**	**(3,546.37)**
Total Equity (E')	23,893.23	24,285.74
Lease liabilities (F)	338.97	491.16
Total borrowings (G)	1,06,866.71	91,257.16
Capital Employed (H) = (E) + (F) +(G)	**1,31,098.91**	**1,16,034.06**
Return on capital employed (I) = (D) / (H)	0.03	(0.03)
% of change from previous year	**(210.50%)**	

The ratio has changed mainly due to decrease in losses in current year compared to previous year

Notes :

Return on investment is not applicable to the Company

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38 Revenue from contracts with customers:

38.1 Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers, which is in agreement with the contracted price

	March 31, 2026	March 31, 2025
Revenue from real estate development		
Revenue recognised at a point in time	72,857.74	30,363.95
Revenue recognised over time	2,947.29	3,104.34
	75,805.03	33,468.29
Other operating revenues		
Revenue recognised at a point in time*	534.42	2,900.73
	534.42	2,900.73

* Excludes share of profit /(loss) in limited liability partnerships - Rs. (244.92) lakhs (March 31, 2025 - Rs. (509.56) Lakhs)

38.2 Contract balances

	March 31, 2026	March 31, 2025
Trade receivables	22,049.19	17,652.22
Contract liabilities - deferred revenue	1,95,528.58	1,52,242.32

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

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

Set out below is the amount of revenue recognised from:

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	69,593.15	19,775.20

38.3 Performance obligations

Aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the reporting period		
Revenue to be recognised at a point in time	3,44,626.22	2,64,164.51
Revenue to be recognised over time	16,827.24	20,377.34

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

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

Inventories		
- Work-in-progress	99,980.81	62,503.94
- Stock of flats	30,285.50	41,961.77
Prepaid expenses (represents brokerage costs pertaining to sale of real estate units)	8,867.06	5,170.04

39 Segmental information

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

The Company is domiciled in India. The Company's revenue from operations from external customers relate to real estate development in India and all the non-current assets of the Company are located in India.

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40 Unhedged foreign currency exposure

	March 31, 2026	March 31, 2025
	Nil	Nil

41 Other Statutory Information

(i) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) The Company has balance with the below-mentioned companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act,1956

Name of the struck off Company	Nature of transactions with struck off company	Balance as at March 31, 2026 Rs. in lakhs	Balance as at March 31, 2025 Rs. in lakhs	Nature of transactions with struck off company
Artigra Technologies Private Limited	Trade payable	0.25	0.25	Vendor

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Cryptocurrency transactions or Virtual Currency during the financial year.

(v) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries except the following

a. Following are the details of the funds advanced by the company to Intermediary:

Name of the intermediary to which the funds are advanced	Nature of transaction	Date of Funds advanced	Amount of funds advanced (Rs. in lakhs)	PAN of intermediary	Relationship with the Company
Purva Blue Home Ventures Private Limited Address: Address : 130/1 Ulsoor Road, Bangalore 560042	Loan given to intermediary	6-May-25	1,000.00	AAOCP3748F	Subsidiary

b. Following are the details of the funds further advanced to ultimate beneficiaries:

Name of the ultimate beneficiary to which the funds are further advanced	Nature of transaction	Date on which funds are further advanced by Intermediary to Ultimate Beneficiary	Amount of funds further advanced by Intermediary to Ultimate Beneficiary (Rs. in lakhs)	PAN of ultimate beneficiaries	Relationship with the Company
KVN Property Holdings LLP Address : No.2011, Embassy Habitat, Vasanth Nagar, Bengaluru-560052	Contribution to partner's capital account in ultimate beneficiary	6-May-25	1,000.00	AAUFK9764H	Step-down Subsidiary

The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

(vi) No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(viii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

42 Earnings per share

Earnings per share has been computed as under	March 31, 2026	March 31, 2025
(a) Profit/(loss) for the year	(293.00)	(3,394.85)
b) Weighted average number of equity shares outstanding	80.00	80.00
Basic and diluted EPS (a/b)	(3.66)	(42.44)

43 The Company has defined process to take daily back-up of books of account in electronic mode on servers physically located in India.
The Company has used accounting software (SAP S/4 HANA) for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software, except that audit trail feature is not enabled for direct changes to data when using certain access rights as the audit trail feature is not enabled at the database level insofar as it relates to SAP S/4 HANA accounting software. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software to the extent audit trail was enabled. Additionally, the audit trail of relevant prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

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44 Share Based Payments

Equity Settled Share Based Payment Transaction

Certain employees of the Company are covered under the group-wide share-based schemes of the holding company, wherein the holding company has the obligation to settle the share-based transaction with equity settled options. Further, there is no recharge arrangement between the Company and its holding company for the aforesaid share-based transactions. Accordingly, the Company has recognised the share based expense with a corresponding credit to "Other Equity" as deemed contribution from the holding company.

There are no cash settlement alternatives. The Company accounts for the options as an equity-settled plan.

Vesting Schedule

The vesting schedule for the options granted is detailed in the grant letter issued to each employee. These options have a minimum vesting period of one year and a maximum vesting period of five years, with 20% to 50% of the options vesting per tranche. Moreover, the vesting of these options is dependent upon achieving specified performance metrics related to Revenue and Profit, irrespective of market conditions.

Total share-based expense recognised in the Statement of Profit and Loss as part of employee benefits expense is as follows:

	March 31, 2026	March 31, 2025
Share based expense/(credit) under Employee Benefits Expense (refer note 25)	(133.25)	137.31

Computation methodology and assumption

The Company accounts for all awards granted under the share-based schemes as below:

i) The Company estimates the fair values for stock options using the Black-Scholes-Merton option-pricing model with the following weighted average assumptions:

	March 31, 2026	March 31, 2025
Weighted average grant date fair value, per option (in INR)		
Tranche I	255.50	255.50
Tranche II	252.27	-
Weighted average assumptions used:		
Grant date		
Tranche I	31-Jan-24	31-Jan-24
Tranche II	07-Nov-25	-
Exercise price (in INR)	5.00	5.00
Share price on grant date (in INR)		
Tranche I	259.30	259.30
Tranche II	256.35	-
Expected volatility	49% to 53%	49% to 53%
Expected Term to maturity (in years)	2 to 7	2 to 6
Risk free Rate of interest	5% to 8%	7% to 8%
Expected dividend yield	0%	0%

The Company determines expected volatility on all options granted using available implied volatility rates. The Company believes that market-based measures of implied volatility are currently the best available indicators of the expected volatility used in these estimates.

The Company determines expected lives of options based on the weighted average life of the options. The Company believes that the weighted average life of the options is the best estimate currently available.

Risk-free interest rates based on the yields on government bonds of term equivalent to the expected life of the option as on the date of grant.

Summarized information about movement in share-based schemes:

	March 31, 2026		March 31, 2025	
	Number of options	Weighted average grant date fair value per share	Number of options	Weighted average grant date fair value per share
Opening balance	1,64,188	255.50	2,41,453	255.50
Granted during the year	27,700	252.27	-	-
Exercised during the year	-	-	-	-
Surrendered during the year	1,25,414	255.50	-	-
Lapsed during the year	11,404	255.50	77,265	255.50
Closing balance	55,070	253.88	1,64,188	255.50

The expected life of the stock is based on current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

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PROVIDENT HOUSING LIMITED BANGALORE

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45 Standards notified but not yet effective:

The new and amended standards that are notified by the Ministry of Corporate Affairs (MCA), but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company will adopt these amendments to the standards, when they become effective.

Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In accordance with Ind AS 1 currently applicable, breach of an immaterial covenant is ignored deciding in current vs. non-current classification of liabilities. Also, in case of breach of a material covenant of a non-current loan on or before the reporting date, the entity can obtain waiver from the lender after the reporting date and continue to classify the loan as non-current liability.

In accordance with changes to Ind AS 1 already notified by the MCA, the above relaxations to classify loan as non-current liability will not be available from FY 2026-27 onward and need to be applied retrospectively. Consequently.

> A breach of either material or immaterial covenant will trigger current classification of liability.
> To continue classifying loan as non-current liability, entities will need to obtain waiver from the breach on or before the reporting date

The Company is currently assessing the impact the amendments will have on its financial statements.

As per our report of even date attached

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

per Sudhir Kumar Jain
Partner
Membership no : 213157

Bengaluru
May 16, 2026

S.R. Batliboi & Associates LLP
Bengaluru

For and on behalf of the Board of Directors of
Provident Housing Limited
CIN: U45200KA2008PLC048273

Ashish Joy Puravankara
Director
DIN 00504524

Amanda Joy Puravankara
Whole-time Director
DIN 07128042

Bengaluru
May 16, 2026

PROVIDENT HOUSING LIMITED
BANGALORE