

PUREARTH

THIRTIETH ANNUAL REPORT 2022 - 23

PUREARTH INFRASTRUCTURE LIMITED

PUREARTH INFRASTRUCTURE LIMITED
(U45202DL1991PLC046111)

BOARD OF DIRECTORS

Shri Sat Pal Khattar

(Chairman)

Shri Kartar Singh Thakral

Shri Karan Singh Thakral

Shri Yash Gupta

(Independent Director)

Shri Sumant Bharat Ram

(Whole Time Director)

Smt. Chitra Gouri Lal

Shri Navin Khattar

Shri Yuv Bharat Ram

Shri Rahil Bharat Ram

Shri Satveer Singh Thakral

(Alternate Director to Shri Kartar Singh Thakral)

SECRETARY

Shri Sachin Kumar Gupta

(Company Secretary)

BANKERS

HDFC Bank

AUDITORS

M/s. Walker Chandiok & Co LLP

REGISTERED OFFICE

Central Square,
20, Manohar Lal Khurana Marg,
Bara Hindu Rao, Delhi- 110006

NOTICE

Notice is hereby given that the Thirtieth Annual General Meeting of the Company will be held on Wednesday, 27th September, 2023 at 11.00 a.m. at Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi-110006 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements including Consolidated Financial Statements of the Company for the financial year ended 31st March, 2023 together with Auditors' Report(s) and Directors' Report thereon.
2. To appoint Director in place of Mr. Sat Pal Khattar (holding DIN: 00307293), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Director in place of Mr. Rahil Bharat Ram (holding DIN: 08839924), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the Company do hereby approve / ratify appointment of M/s. Yogesh Gupta and Associates, Cost Accountants as Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the Financial Year 2023-24 at a remuneration of Rs. 60,000/- (Rupees Sixty Thousand only) plus applicable taxes and out-of-pocket expenses as may be incurred in connection with performance of the services as per limits discussed and agreed upon by the Board of Directors of the Company or any person so authorized by the Board.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 of the Companies Act, 2013 (the said Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V and other applicable provisions of the said Act including any statutory modification or re-enactment thereof and further to special resolutions passed by shareholders of the Company in their 29th Annual General Meeting held on 27th September 2022 and Extraordinary General Meeting held on 9th January 2023 in respect of re-appointment and payment/restructuring of remuneration to Mr. Sumant Bharat Ram, Whole Time Director (Holding DIN: 00052833) and subject to such other approvals, permissions, sanctions as may be required and subject to such modifications, conditions as may be imposed by any authority in granting such approvals, permissions and sanctions, the Company do hereby approve payment of a sum of Rs. 50 lakhs as one time ex-gratia payment to Mr. Sumant Bharat Ram, Whole Time Director, payable in one or more tranches in addition to the remuneration approved in the said resolution(s) dated 9th January 2023.

RESOLVED FURTHER THAT pursuant to Section II or Section III, of Part II of Schedule V, as may be applicable, and other applicable provisions of the said Act, if any, and subject to such approvals as may be necessary, Mr. Sumant Bharat Ram, Whole Time Director, be paid the remuneration specified/approved in the said resolution(s) dated 9th January 2023 and payment of Rs. 50 Lakhs as one time ex-gratia, as minimum remuneration in case the Company has no profits or its profits are inadequate during any of the financial years during the period mentioned in the said resolution(s) dated 9th January 2023.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 of the Companies Act, 2013 (the said Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V and other applicable provisions of the said Act including any statutory modification or re-enactment thereof and in partial modification of the terms and conditions in the remuneration of Mr. Sumant Bharat Ram (Holding DIN: 00052833), Whole Time Director, vide special resolutions passed by members of the Company in their 29th Annual General Meeting held on 27th September 2022 and Extraordinary General Meeting held on 9th January 2023 in respect of re-appointment and payment/restructuring of remuneration of Mr. Sumant Bharat Ram, Whole Time Director, and subject to such other approvals, permissions, sanctions as may be required and subject to such modifications, conditions as may be imposed by any authority in granting such approvals, permissions and sanctions, the Company do hereby approve payment of performance based bonus to Mr. Sumant Bharat Ram, Whole Time Director, of a sum not exceeding Rs. 1.00 Crore as may be decided by the Board of Directors of the Company for the financial year 2023-24 and 2024-25 payable in one or more tranches.

RESOLVED FURTHER THAT pursuant to Section II or Section III, of Part II of Schedule V, as may be applicable, and other applicable provisions of the said Act, if any, and subject to such approvals as may be necessary, Mr. Sumant Bharat Ram, Whole Time Director, be paid the remuneration specified in the said resolution(s) dated 9th January 2023, as minimum remuneration and include the said performance bonus of a sum not exceeding Rs. 1.00 Crore in case the Company has no profits or its profits are inadequate during any of the financial years during the period mentioned in the said resolution(s) dated 9th January 2023.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT further to the special resolution(s) passed by shareholders of the Company in their Extraordinary General Meeting held on 20th March, 2021 and 28th Annual General Meeting held on 27th September, 2021 relating to granting of loan including by way of raising book debts to M/s. DCM Limited (DCM) to acquire residential units in the Group Housing Project - “The Amaryllis”, Central Delhi, on deferred payment basis to the extent of Rs. 20,00,00,000/- (Rupees Twenty Crores) and pursuant to the section 185, 186, and 188 of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), and all other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded for granting further an extension of repayment period of the book debts and interest accrued/to be accrued payable by DCM to the Company by 18 months i.e. repayment of Book Debt from the period of three years (36 months) to four years and six months (54 months) from the date of execution of respective Agreement(s) i.e. 27th March, 2021 and 17th April, 2021.

RESOLVED FURTHER THAT all other terms and conditions as approved by the shareholders in their meeting held on 20th March 2021 and 27th September 2021 shall remain unchanged.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

By order of the Board
For Purearth Infrastructure Limited

Place: Delhi
Date: 03rd August, 2023

Sd/-
Sachin Kumar Gupta
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED AND IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED TO THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING.
2. A person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Shareholders are requested to notify change in address along with Pin Code, if any, to the Company at its Registered Office quoting their folio nos.
4. A Corporate Member intending to nominate its authorized representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013 is requested to send to the Company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf at the Meeting.
5. Members/Proxies/Authorized Representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialized form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
6. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company. All documents referred to in the Notice and accompanying explanatory statement are open for inspection at the Registered Office of the Company on all working days of the Company between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting and at the venue of the Meeting for the duration of the Meeting.
7. Route-map to the venue of the Meeting is provided at the end of the Notice.
8. Any query relating to financial statements must be sent to the Company's Registered Office at least seven days before the date of the Meeting.
9. Members can avail of the nomination facility by filing Form SH-13, as prescribed under Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rule, 2014, with the Company. Blank forms will be supplied on request.
10. In accordance with the provisions of Article 106 and 107 of the Articles of Association. Mr. Sat Pal Khattar and Mr. Rahil Bharat Ram, Directors of the Company will retire by rotation at the Annual General Meeting and, being eligible, offer themselves for re-election.

ANNEXURE TO NOTICE – EXPLANATORY STATEMENT

(In terms of Section 102 of the Companies Act, 2013, the explanatory statement sets out all material facts relating to the business mentioned under Item No. 4, 5, 6 and 7 of the accompanying Notice dated 3rd August, 2023)

Item No. 4

Pursuant to Section 148 of the Companies Act, 2013, the Company is required to get its cost records audited by a cost accountant in practice. On the recommendation of the Audit Committee, the Board of Directors approved the appointment of M/s. Yogesh Gupta & Associates, Cost Accountants, as Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the Financial Year 2023-24 at a remuneration of Rs. 60,000/- (Rupees Sixty Thousand only) plus applicable taxes and out-of-pocket expenses as may be incurred in connection with performance of the services as per limits discussed and agreed upon by the Board of Directors of the Company.

The Cost Accountants have furnished a certificate regarding their eligibility/consent for appointment as Cost Auditors of the Company. The Board recommends the Resolution as set out in Item No. 4 of the accompanying Notice for approval/ratification by the Members of the Company.

None of the Directors and/or key managerial personnel or their relatives are concerned or interested in the proposed Resolution.

Item No. 5 and 6

The members of the Company in their 29th Annual General Meeting held on 27th September, 2022 approved the re-appointment of Mr. Sumant Bharat Ram as Whole Time Director of the Company with effect from 1st April 2022. The Shareholders in their Extra-Ordinary General Meeting held on 09th January, 2023, restructured/modified the remuneration of Mr. Sumant Bharat Ram, Whole Time Director of the Company for the period commencing from 1st July, 2022 to 30th November 2022 and with effect from 1st December 2022.

Presently, Mr. Sumant Bharat Ram, Whole Time Director, is drawing remuneration as set out herein:

PARTICULARS	Rs. (Per Month)
A. SALARY	
- Basic	6,00,000
- Personal Pay	7,83,500
- Special Pay	2,00,000
B. PERQUISITES	
- House Rent Allowance	3,45,000
- Water, Electricity & Gas	35,000
- Group Medical	500
Total	19,64,000
C. TERMINAL BENEFITS	
- Provident Fund @ 12% of Basic Salary	
- Gratuity as per Payment of Gratuity Act	

OTHER TERMS APPLICABLE TO THE ENTIRE TENURE:

1. The remuneration payable to the Wholetime Director shall be subject to revision @ 10% p.a. of the total annual remuneration as aforesaid.
2. The Wholetime Director shall also be entitled to Performance Based Bonus, as per performance parameters set by the Board from time to time, @ 5% of the net profits of the Company or Rs. 1.00 crore, whichever is less.
3. The Wholetime Director is entitled to a car for official purposes valued approx. Rs. 1.10 Crore with driver and actual running, maintenance and insurance expenses.

4. The Company shall make payment for utilities viz., Gas, Electricity and Water at the accommodation of Whole Time Director subject to above overall limit.
5. The Wholetime Director shall be entitled to House Watch & Ward security of his accommodation.
6. Remuneration for a part of the year shall be computed on pro-rata basis.
7. He shall be entitled to leave as per policy of the Company.
8. He shall be entitled to reimbursement of all actual expenses including on entertainment and travelling incurred in the course of business of the Company which will not be treated as an item of remuneration.
9. He will not be paid any sitting fees for attending the meeting of the Board of Directors or Committee(s) thereof.
10. The appointment as aforesaid may be terminated by either party by giving three months' notice in writing or payment thereof.

As members are aware that the Company is developing two large projects i.e. Flatted Factory namely Central Square and Residential namely "The Amaryllis" at Bara Hindu Rao/Kishanganj, Delhi. Residential project is being jointly developed with M/s. Basant Projects Limited (Unity Group) in phases.

Your Company is also working towards major operational turn-around. The Residential Group Housing project – "The Amaryllis" is going at a fast pace. The Completion Certificate of first phase has been, duly, received and possession of Residential units is being given. The second and third phase are scheduled to be delivered in the year 2024. This would require focused marketing and sales efforts for monetizing Company's share of development in the project.

In the Central Square project, sustained efforts are also required to increase occupation of units by pursuing with the unit holders, to recover outstanding dues from the existing customers and make efforts for leasing out/selling further area in the project to shore up Company's finances and firm up plans for undertaking further development.

Mr. Sumant Bharat Ram was first appointed as a Director on the Board on 26.09.1997 and held office till 17.10.2007. He again became a director on 18.08.2008 and has since been continuing to hold the office. He has been working as Whole-time Director of the Company with effect from 01.04.2019. During his long tenure on the Board of the Company both as Director and WholeTime Director, he has immensely contributed to the affairs of the Company, especially, in the matters of restructuring schemes of the Company, obtaining construction/ development related approvals, obtaining Completion Certificate of Phase -I of the Residential Project – "The Amaryllis", arranging finance, controlling cost, debt reduction, strengthening sales, marketing and recovery of due amount of the Company in the residential project and Central Square project, working out closely with the legal team for formulating legal strategy and providing other assistance from time to time. During his tenure, Hon'ble Supreme Court dismissed the Special Leave Petition on 06.12.2022 filed by North Delhi Municipal Corporation of Delhi on conversion of the project from "Flatted Factory to Commercial" thus paving the way for customers of Central Square to apply for conversion from Flatted Factory to Commercial and enhancing value of the Central Square Project.

Mr. Sumant Bharat Ram waived his 50% of existing remuneration as at 31.03.2020 excluding perquisites and 100% of increased remuneration effective from 01.04.2020 between 01.04.2020 to 30.09.2020 to support the Company due to liquidity crunch caused by 1st wave of Covid – 19. He, also, waived his performance bonus of Rs. 1 Cr for the financial year 2021-22.

In order to take up the above stated operational matters in the right earnest and give proper direction for achieving Company's goals, the Board of Directors in its meeting held on 08th May, 2023, pursuant to the recommendation of the Nomination and Remuneration Committee in its meeting held on 08th May, 2023, approved in addition to the resolution(s) approved by the Shareholders in their meeting held on 09th January, 2023, the followings for approval of the members:

- I. One-time Ex-gratia payment of Rs. 50 Lakhs be paid to Mr. Sumant Bharat Ram, Whole Time Director, payable in one or more tranches during the Financial Year 2023-24, as set out in item no. 5; and
- II. Performance bonus of such sum not exceeding Rs. 1.00 Crore for the year 2023-24 & 2024-25 as may be approved by Board instead of earlier approval of 5% of net profits or Rs. 1.00 Crore whichever is less as set out in item no. 6

A statement as per Clause (iv) in Paragraph (A) and (B) of Section II of Part II of Schedule V to the Companies Act, 2013 providing complete details on the proposed appointee and other required information is annexed for perusal of the members.

Except Mr. Sumant Bharat Ram, Mr. Yuv Bharat Ram and Mr. Rahil Bharat Ram being related to each other, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution as set out herein.

The Board of Directors recommends the Special Resolution as set out in Notice to AGM at item No. 5 and 6 for your approval.

Item No. 7

The members of the Company in their Extraordinary General Meeting held on 20th March, 2021 and 28th Annual General Meeting held on 27th September 2021, pursuant to the approval of Audit Committee and Board of Directors, had approved granting of loan including book debts to the extent of Rs. 20 crores to M/s. DCM Limited (DCM), to meet its business requirements/commitment as per Scheme detailed below:

SCHEME (TERM-SHEET)

S. N.	Particulars	
1	Name of the Lender	Purearth Infrastructure Limited
2	Name of Borrower	DCM Limited (DCM)
3	Loan Amount including by way of raising Book Debts	Rs. 20,00,00,000/- (Rupees Twenty Crores)
4	Guarantee/Security	Charge/lien on 112 acres industrial land in part or full owned by DCM Limited, situated at near Mela Ground, Hissar - 125001, Haryana, India. However, the minimum security cover of two times is to be maintained of outstanding loan amount at any point of time. The said charge shall be created by DCM within a period of six months from the date of execution of loan Agreement between the Company and DCM
5	Rate of Interest	I. 10.50% p.a. or 0.25% p.a. over and above rate of interest charged by HDFC Ltd. from Purearth upto 30th June 2021. II. Interest rate to be charged by the Company to DCM shall always be @0.25% p.a. over and above the effective rate of interest charged by HDFC Limited (Now merged with HDFC Bank Limited) from Purearth with effect from 1st July 2021
6	Purpose	Loan including book debts to be utilized by DCM Limited for its Principal Business Activities to sustain and continue its operations smoothly.
7	Duration of Loan	Three years
8	Repayment	One or more tranches with an option for prepayment. However, the loan shall be repaid within a period of 3 (three) years.
9	Prepayment charges	Nil
10	Interest Payment	Interest is payable in proportion to receipt of part/full loan amount on the outstanding loan.
11	Penal/Additional Interest	Not Applicable

Pursuant to said approval, DCM acquired residential units in the Group Housing Project - "The Amaryllis", Central Delhi, with facility of book debts of Rs. 20 Crores payable in 36 months from the date of allotment of said residential units under Agreement(s) dated 27th March, 2021 and 17th April, 2021. Based on the valuation of an approved valuer and to maintain security cover of two times of said book debts, DCM has created charge by way of equitable mortgage on its land admeasuring 43.644 acres situated near Mela Ground, Hisar (referred as Hisar land) out of its total 112 acres land in Hisar.

In view of delays in receipt of funds by DCM Limited from its Hisar land project due to suspension of license of said project granted by Haryana Government for the development of 67.275 acres land, DCM has requested for the further extension of repayment period of said book debts of Rs. 20 crores by 18 months i.e. repayment of Book Debt and interest accrued/ to be accrued payable by DCM from the period of three years (36 months) to four years and six months (54 months) from the date of execution of respective Agreement(s).

The Board of Directors of the Company, on the recommendation of Audit Committee, in its meeting held on 3rd August 2023 has approved the said extension of 18 months i.e. repayment of Book Debt and interest accrued/ to be accrued payable by DCM from the period of three years (36 months) to four years and six months (54 months) from the date of execution of respective Agreement(s).

However, interest on loan shall accrue from the date of raising book debts and all other terms and conditions as approved by the shareholders in their meeting held on 20th March, 2021 and 27th September, 2021 shall remain unchanged.

M/s. DCM Limited (DCM) is one of the promoter and holds 16.56 % in the paid-up capital of the M/s. Purearth Infrastructure Limited (Purearth). Mr. Sumant Bharat Ram, Mr. Yuv Bharat Ram and Mr. Rahil Bharat Ram (Related to each other) are Directors of Purearth and exercise, altogether, more than 25% of the total voting power at the general meeting of DCM.

In terms of the Section 185 of the Act, a company may advance any loan, including any loan represented by a book debt, to any person in whom any of the Directors of the Company is interested or give any guarantee or provide any security in connection with any loan taken by any such person subject to the condition that approval of shareholders of the Company is obtained by way of passing a Special Resolution, requisite disclosures are made in the Explanatory Statement and the loans are utilized by the borrowing company for its principal business activities.

In view that DCM, being related party and entity covered under the category of 'a person in whom any of the director of the Company is interested' as specified in the explanation to Section 185(2) of Companies Act, 2013, consent of the Members is sought in terms of relevant provisions of the Companies Act, 2013 by way of passing a Special Resolution as set out in Item No. 7 of the Notice.

Except Mr. Sumant Bharat Ram, Mr. Yuv Bharat Ram and Mr. Rahil Bharat Ram being related to DCM Limited, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution as set out at Item No. 7.

The Board recommends the Special Resolution as set out in the Notice at Item No. 7 for approval by the Members.

Statement as per Clause (iv) in Paragraph (A) and (B) of Section II of Part II of Schedule V to the Companies Act, 2013

I. General Information:

(1) Nature of industry

The Company is in the business of Real Estate development.

(2) Date or expected date of commencement of commercial production

The Company has been engaged in development of real estate since 29th August, 2005.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable.

(4) Financial performance based on given indicators:

(Rs. in Lacs)

Particulars	2022-23	2021-22	2020-21
Revenue from Operations	17,193.38	22,167.84	848.15
Profit /(Loss)before Tax	664.16	4,231.62	(545.95)
Net Profit/ (loss)	710.12	3,129.41	(545.95)
Total Comprehensive income for the year	703.33	3,133.32	(546.44)

(5) Foreign investments or collaborators, if any

M/s Tiara Investment Holdings Limited, Mauritius (Tiara) holds 50.65% in the paid up capital of the Company.

II. Information about the appointee: **MR. SUMANT BHARAT RAM**

I. Information about the appointee:

(1) Background details

Mr. Sumant Bharat Ram, aged around 56 years, is part of the Promoter group of DCM Limited. He holds Bachelor degree in Economics (Honors) from Delhi University. He did his Master's Degree from the University of Michigan, Ann Arbor, USA. He hails from pioneering Industrialist family of Lala Shri Ram, Dr. Bharat Ram and Dr. Vinay Bharat Ram. Before joining DCM Limited he worked with Toyota Motor Corporation, Japan and SRFLimited. He holds Directorship in various Companies. He had also acted as Executive Vice Chairman & Managing Director of erstwhile DCM Engineering Limited. He has industry experience of more than 30 years in the area of corporate affairs, finance, legal, and business strategies. He has been

working as Whole Time Director of the Company with effect from 1st April, 2019. He is member in the Nomination and Remuneration Committee and Chairman & member of Executive Committee of Directors of the Company.

(2) Past remuneration

Before joining the Company, Mr. Sumant Bharat Ram had been drawing remuneration from DCM Limited (DCM) in the capacity of Chief Executive and Financial Officer of the Company. During the last three years, he has drawn remuneration from the Company as per details given below:

(Rs. In Lacs)

Particulars	2022-23	2021-22	2020-21
Remuneration drawn	275.15	200.58	160.77

(3) Recognition or awards: None

(4) Job profile and his suitability

Mr. Sumant Bharat Ram was first appointed as a Director on the Board on 26-09-1997 and held office till 17-10-2007. He again became a director on 18-08-2008 and has since been continuing to hold the office. He has been working as Whole-time Director of the Company with effect from 01.04.2019. During his long tenure on the Board of the Company, he has immensely contributed to the affairs of the Company, especially, in the matters of restructuring schemes of the Company, obtaining construction/ development related approvals through DCM Limited, working out closely with the legal team for formulating legal strategy and providing other assistance from time to time.

He possesses experience of more than 30 years in the area of corporate affairs, finance, legal, and business strategies.

With his vast experience in dealing with Management, administrative and other complex matters, your Company is confident that he would be instrumental in helping the Company in successfully achieving its objectives.

(5) Remuneration Proposed

The terms of remuneration proposed are detailed in the resolution as set out at Item No. 5 and 6 in the aforesaid notice.

(6) Comparative remuneration profile with respect to industry; size of the company; profile of the position and person

The prevalent levels of remuneration in Real Estate Sector, for the level of experience and profile of Mr. Sumant Bharat Ram, are either equal or higher than what is being proposed and hence, the proposed remuneration to Mr. Sumant Bharat Ram is reasonable and in line with the remuneration levels in the industry.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any

Mr. Sumant Bharat Ram holds directly 58,61,818 equity shares (5.44%) in the Company and his ultimate holdings is 37.01% of the total paid up capital of the Company. He has been drawing remuneration with effect from 01-04-2019 from the Company as Whole-time Director. Except, Mr. Yuv Bharat Ram and Mr. Rahil Bharat Ram, Directors, he is not related to any Director and managerial personnel of the Company.

During the year 2022-23, three Nomination and Remuneration Committee, two Corporate Social Responsibility (CSR) Committee, eight Executive Committee of Directors and five Board Meetings were convened by the Company and he attended all the said meetings except one meeting of CSR Committee as he ceased to be member of CSR Committee due to its reconstitution.

III. Other information:

(1) Reasons of loss or inadequate profits: The reasons for inadequate profits of the Company are mainly due to ban on construction activities coupled with material movement, Covid-19 outbreak, subsequent lockdowns, overall recession in the real estate sector resulting in low uptake in the inventory, delay in habitation /occupation of the sold units in the flatted factory complex and resultant loss on maintenance charges, high interest cost. The levy of GST on under construction real estate projects has also dampened the spirit of the buyers. In addition to above, the Company is following IND AS-115, wherein Real Estate Developer recognizes revenue on completion method instead of percentage of Completion Method.

(2) Steps taken or proposed to be taken for improvement: The construction and development work in the Residential Project is going at fast pace and the Company has been aggressively working on the sales and marketing of the project. Completion Certificate of Phase – I of Group Housing Project – “The Amaryllis” was duly received from North Delhi Municipal Corporation. With this, first phase is being delivered to customers. Second & third phase would be delivered by 2024 and the sales revenue in the project is expected to grow further. Efforts are being made to further increase habitation in the already constructed and sold units in the Central Square, flatted factory project, by encouraging leasing activity. The Company is also making efforts to further sell the unsold stock.

Further, in the matter of commercialization of the flatted factory complex, Hon’ble Supreme Court dismissed the Special Leave Petition on 6.12.2022 filed by North Delhi Municipal Corporation of Delhi on conversion of the project from “Flatted Factory to Commercial” thus paving the way for customers of Central Square to apply for conversion from Flatted Factory to Commercial and enhancing value of the Central Square Project.

The Company is positive that with the stimulus package provided by the Government of India, relaxation in the GST rates, impending delivery of the completed phases and improved market sentiments, these efforts would greatly enhance the revenue generation for the Company.

(3) Expected increase in productivity and profits in measurable terms:

With substantial unsold area in the Residential Complex and Flatted Factory Complex and their strategic location in the heart of Delhi, the Company is confident of better revenue and earning reasonably good profits in the coming years.

IV. Disclosures:

- I. Disclosures to shareholders about proposed remuneration package of the managerial personnel and other related details:
 Mr. Sumant Bharat Ram
- A. One-time Ex-gratia payment of Rs. 50 Lakhs be paid to Mr. Sumant Bharat Ram, Whole Time Director, payable in one or more tranches as set out in item no. 5; and
- B. Performance bonus of such sum not exceeding Rs. 1.00 Crore for the year 2023-24 & 2024-25 as may be approved by Board instead of earlier approval of 5% of net profits or Rs. 1.00 Crore whichever is less as set out in item no. 6 as follows:

PARTICULARS	Proposed
	Rs. (Per Month)
A. SALARY	
- Basic	6,00,000
- Personal Pay	7,83,500
- Special Pay	2,00,000
B. PERQUISITES	
- House Rent Allowance	3,45,000
- Water, Electricity & Gas	35,000
- Group Medical	500
Total	19,64,000
C. TERMINAL BENEFITS	
- Provident Fund @ 12% of Basic Salary	
- Gratuity as per Payment of Gratuity Act	

OTHER TERMS APPLICABLE TO THE ENTIRE TENURE:

1. The remuneration payable to the Wholetime Director shall be subject to revision @ 10% p.a. of the total annual remuneration as aforesaid.
2. **The Wholetime Director shall also be entitled to Performance Based Bonus of a sum not exceeding Rs. 1.00 Crore as may be decided by Board.**
3. The Wholetime Director is entitled to a car for official purposes valued approx. Rs. 1.10 Crore with driver and actual running, maintenance and insurance expenses.
4. The Company shall make payment for utilities viz., Gas, Electricity and Water at the accommodation of Whole Time Director subject to above overall limit.
5. The Wholetime Director shall be entitled to House Watch & Ward security of his accommodation.
6. Remuneration for a part of the year shall be computed on pro-rata basis.
7. He shall be entitled to leave as per policy of the Company.
8. He shall be entitled to reimbursement of all actual expenses including on entertainment and travelling incurred in the course of business of the Company which will not be treated as an item of remuneration.
9. He will not be paid any sitting fees for attending the meeting of the Board of Directors or Committee(s) thereof.
10. The appointment as aforesaid may be terminated by either party by giving three months' notice in writing or payment thereof.

DIRECTORS' REPORT

To

The Members,

We are pleased to present the 30th Annual Report of the Company together with the financial statement, including consolidated financial statement, for the year ended 31st March, 2023.

FINANCIAL RESULTS

The working results of the Company for the year under review are briefly given below:

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2023	For the year ended 31.03.2022
Revenue from operations	17,193.38	22,167.84	17,193.38	22,167.58
Other Income	422.66	351.39	439.98	368.36
Total Income	17,616.04	22,519.23	17,633.36	22,535.94
Total Expenses	16,951.88	18,287.61	16,970.20	18,311.79
Profit before tax	664.16	4,231.62	663.16	4,224.15
Tax Expenses:				
- Current tax	-	-	0.07	0.05
- Deferred Tax	(45.96)	1,102.21	(45.94)	1,102.23
Net Profit for the year	710.12	3,129.41	709.03	3,121.87
Other Comprehensive income				
Items that will not be reclassified to profit or loss				
(a) Re-measurement (loss)/gain of defined benefit obligation	(9.08)	5.22	(9.08)	5.22
(b) Income tax relating to re-measurement of defined benefit obligation	2.29	(1.31)	2.29	(1.31)
Total other comprehensive (loss)/income, net of taxes	(6.79)	3.91	(6.79)	3.91
Total comprehensive income for the year	703.33	3,133.32	702.24	3,125.78
Earnings / Loss per equity share (Rs.)				
Basic and diluted loss per equity share (Amount in Rs.)	0.66	2.90	0.66	2.90

The Board of Directors hope that you and your family are safe, healthy and pray for your continued good health and well-being.

ECONOMIC AND INDUSTRY SCENARIO

The global economic environment has changed over the years with issues of geopolitics and high inflation continue to impact the outlook. Emergence of banking sector turmoil on both sides of the Atlantic have rendered more challenges in the global outlook. Global inflation is easing now.

Global economy since 2020 is under pressure due to pandemic-induced contraction of the global output, followed by the Russian-Ukraine conflict leading to a worldwide surge in inflation. Finally, spurred by pent-up demand, lingering supply disruptions, and commodity price spikes, inflation reached multidecade highs last year in many economies, leading respective central banks to tighten aggressively to bring it back toward their targets and keep inflation expectations anchored. Accordingly, the central banks across economies responded with synchronised policy rate hikes to curb inflation.

The world economy could achieve a soft landing due to measures taken by central banks across economies. Policymakers have taken forceful actions to stabilize the banking system.

India became the world's fifth largest economy in 2022 i.e. 75th years of India's Independence. The Indian economy, however, appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY23. Yet in the current year, India has also faced the challenges of reining in inflation, largely, due to the geopolitical tensions and a shortfall in crop harvests due to excessive heat in some parts of the country. Accordingly, RBI has started the rate hike cycle and consecutively raised the policy repo rate by 250 basis points since May 2022.

In parallel, domestic growth impulses remained buoyant in 2022-23. Going forward, the thrust on infrastructure spending by the government in the budget would support investment activity and overall, broadening of economic activities in the Country. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target. This resulted the growth momentum of the Indian economy looks strong.

Despite rise in construction cost and a record hike in the repo rate in 2022, the real estate sector has seen a considerable upswing. After a protracted period of economic stagnation, the real estate industry was able to breathe easier this fiscal year. After two long years of pandemic-related lockdowns and subsequent economic turmoil, the industry has experienced a comprehensive recovery this year.

Moreover, the Indian real estate market has grown, instilling confidence in the minds of homebuyers and investors alike. The desire for homeownership has become stronger ever since the pandemic started and has continued to remain strong. Pandemic-induced trends such as remote & hybrid working, made homebuyers look for larger, sustainable spaces with value-added services and amenities which enhance their well-being. Moreover, the pandemic also brought real estate sector as a more stable option for investment, and this sentiment was further strengthened owing to the performance of the industry over the year.

The boost in the e-commerce industry and India's emergence as the fastest-growing business & IT hub has led to a phenomenal demand in the country's commercial real estate. Along with important policy initiatives such as "Housing for All" and the Pradhan Mantri Awas Yojana, the government has been developing and constructing infrastructure mega-projects like highways, new airports, metros, etc. These factors will stimulate both the quantitative and qualitative growth of real estate sector and will be generating substantial returns for investors.

Your directors always believe in the growth prospects of India. Prospects for the year 2023-24 of the Company have strengthened, being India an emerging economy.

OPERATIONS REVIEW

The Company is pleased to inform that Hon'ble Supreme Court on 06th December 2022 dismissed the Special Leave Petition filed by North Delhi Municipal Corporation (NDMC) of Delhi on conversion of the project from "Flatted Factory to Commercial" thus paving the way for customers of Central Square to apply for conversion from Flatted Factory to Commercial. Accordingly, the Company has initiated the process of said conversion.

The Company jointly with M/s. Basant Projects Limited (Joint Developer) has applied for extension of Registration of Phase II and III of its Group Housing Project – "The Amaryllis" with Hon'ble Real Estate Regulatory Authority (RERA), Delhi due to force – majeure. Further, the development of phase-II and III of Residential Project is progressing well.

The Company is also selling and leasing out built-up area of Plaza 1, 2 and 3 of Central Square to customers to shore up its revenue and increase the occupation in the Central Square Project. Your Company is, diligently, pursuing for recovery of outstanding dues from the existing customers and making efforts to increase collection with regard to CAM charges and other dues.

Your Directors are confident that the Company would be able to meet the challenges in Real Estate Sector and will come out with flying colours.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Companies Act, 2013 ("the Act") and Indian Accounting Standard (INDAS) - 110 on Consolidated Financial Statements, the audited consolidated financial statements for the financial year ended 31st March 2023 is provided in the Annual Report.

BOARD OF DIRECTORS

Your Company's Board consist of 9 Directors i.e., 1 Independent Director, 1 Woman Director, 7 Promoter Directors including 1 Whole time Director. Further, Mr. Satveer Singh Thakral is an alternate director to Mr. Kartar Singh Thakral.

During the year, the Board of Directors of the Company met five times i.e. on 26-05-2022, 10-08-2022, 10-11-2022, 06-02-2023 and 30-03-2023. The details of meetings of Board and its Committees attended by Directors of the Company are given as Annexure-5.

Both Mr. Sat Pal Khattar and Mr. Karan Singh Thakral, Non-executive Directors have voluntarily waived their remuneration by way of commission for the financial year 2022-23. In the Board Meeting held on 06th February, 2023, Payment of Remuneration by way of commission to both Mr. Sat Pal Khattar and Mr. Karan Singh Thakral with effect from 01st April, 2023 has been restored.

Mr. Sumant Bharat Ram was re-appointed as Whole Time Director of the Company for a further period of 3 (three) years commencing from 01st April, 2022.

The Board of Directors of the Company, in its meeting held on 8th May, 2023, approved, in lieu of his significant contribution of Mr. Sumant Bharat Ram, Whole Time Director, the Payment of One Time Ex-Gratia payment of Rs. 50 Lakhs to Mr. Sumant Bharat Ram, Whole Time Director and also modified his terms of Bonus to a sum not exceeding Rs. 1 Crore as may be decided by the Board of Directors of the Company for the financial year 2023-24 & 2024-25. The proposals to this effect are also included in the Notice to Annual General Meeting for approval by the Shareholders of the Company.

Mr. Navin Khattar and Mr. Yuv Bharat Ram, being eligible, were re-appointed as Directors to retire by rotation in the Annual General Meeting held on 27th September, 2022.

Mr. Sat Pal Khattar and Mr. Rahil Bharat Ram, Directors, being eligible, retire by rotation offer themselves for re-appointment at the ensuing Annual General Meeting.

KEY MANAGERIAL PERSONNEL

Your Company is in compliance with the provisions of Section 203 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with regard to appointment of whole-time key managerial personnel.

Mr. Sumant Bharat Ram, Whole time Director, Mr. Ajay Khanna, Chief Financial Officer, and Mr. Sachin Kumar Gupta, Company Secretary, are the Key Managerial Personnel of the Company.

There has been no change in the composition of Key Managerial Personnel of the Company, Mr. Ajay Khanna was re-appointed as Chief Financial Officer of the Company by the Board of Directors of the Company in its meeting held on 06th February, 2023, for a period of one year with effect from 06th April, 2023.

INDEPENDENT DIRECTORS

Mr. Yash Gupta is the Independent Non-executive Director of the Company appointed in terms of section 149 of the Companies

Act, 2013 and has given declaration of Independence in terms of Section 149(6) for the year 2023-24.

A STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

During the year no Independent Director was appointed, Accordingly, this provision is not applicable on the Company.

EVALUATION OF DIRECTORS OF THE COMPANY

The performance evaluation of the Independent Director is carried out by the entire Board and that of the Chairman and the Non-Independent Directors by the Independent Director.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

SUBSIDIARIES/JOINT VENTURES / ASSOCIATE COMPANIES

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient features of the financial statements of a Company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures in Form AOC-1 forms part of this Directors' Report as "Annexure-1 to Board Report."

The Company has no joint venture / associate Companies. There is no change in the status of the subsidiary's Companies of the Company during the year. However, the Company is jointly developing a Group Housing Project in Central Delhi.

COMMITTEES

A. AUDIT COMMITTEE

The Audit Committee of the Company presently, consists of four Directors viz., Mr. Yash Gupta, Mr. Karan Singh Thakral, Mr. Yuv Bharat Ram and Mrs. Chitra Gouri Lal.

The Committee met five times for discussing the internal audit report and other matters as per mandate, details of meetings are given in Annexure-5.

Your Company has a Vigil Mechanism in terms of section 177 of the Companies Act, 2013 which is overseen by the Audit Committee. There have been no complaints during the year.

B. CORPORATE SOCIAL RESPONSIBILITY

In terms of the provisions of section 135 of the Act, the Company incurred Rs. 47.41 Lakhs (Previous year: Rs. 49.02 Lakhs) as against its CSR obligation of Rs. 7.11 Lakhs (Previous year: Rs. Nil) on its CSR initiative towards two Sr. Secondary Schools.

The Corporate Social Responsibility (CSR) Committee of the Company in their meeting held on 10th August, 2022 have reconstituted the committee and presently consists of three Directors viz., Mr. Yash Gupta, Independent Director, Mr. Satveer Singh Thakral and Mr. Rahil Bharat Ram and met two times during the year 2022-23 as given in Annexure-5.

The initiatives taken by the Company in performance of its Corporate Social Responsibility during the year are annexed as Annexure-3 to the Directors' Report.

C. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee presently comprises of three Directors viz., - Mr. Yash Gupta, Mr. Karan Singh Thakral and Mr. Sumant Bharat Ram.

The Committee met three times during the year 2022-23, details of meetings are given in Annexure-5.

The Copy of the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management is available on the website of the Company (www.purearth.in).

AUDITORS

STATUTORY AUDITORS

The members of the Company in their 26th Annual General Meeting (AGM) held on 26-09-2019 approved the appointment of M/s. Walker Chandiok & Co LLP, Chartered Accountants, (Firms Registration No. 001076N/N500013), as Statutory Auditors of the Company to hold office for a period of five consecutive years from the conclusion of 26th AGM, till the conclusion of 31st AGM of the Company.

AUDITORS' OBSERVATION

The observations of Auditors are explained, where necessary, in the appropriate Notes to Accounts.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

During the period under review(s), there were no reports of any fraud committed by the Management of the Company or its employees.

COST AUDITORS

A resolution for re-appointment of and payment of remuneration to M/s. Yogesh Gupta & Associates, Cost Accountants for the financial year 2023-24 has been proposed for the approval of the members in the forthcoming Annual General Meeting.

MAINTENANCES OF COST ACCOUNTS AS PER SECTION 148 (1) OF COMPANIES ACT, 2013 READ WITH RULE COMPANIES (COST RECORD AND AUDIT) RULES, 2018

The Cost Records of the Company as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are made and maintained by the Company.

SECRETARIAL AUDITORS

The report of M/s. Pragnya Pradhan & Associates, Company Secretaries, (PCS Registration No. 12030), Secretarial Auditors is annexed as Annexure-4 to this report.

A STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK

Your Company is engaged in the development of real estate and has, over the years, developed proper system for identification of risks. Apart from general industry specific business risks, there are no identified elements of risk which in the opinion of the Board may threaten the existence of the Company.

PREVENTION OF SEXUAL HARASSMENT POLICY

The Company has a well defined policy by the name of "Prevention of Sexual Harassment Policy" for its employees in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder.

During the year, no complaint of sexual harassment was received. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Section 186 is not applicable to the Company being engaged in the business of providing infrastructural facilities. However, particulars of loans, guarantees or investments are provided in the financial statement of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of section 134 (3) of the Companies Act, 2013, it is hereby confirmed:

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any;
- ii. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state-of-affairs of the Company at the end of financial year and of the Profit of the Company

for that period;

- iii. that the Directors have taken a proper and sufficient care, for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. that the Directors have prepared the annual accounts for the year ended 31.03.2023 on a "going concern basis".
- v. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws including applicable Secretarial Standards and that such systems are adequate and operating effectively.

CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business of the Company during the year.

DIVIDEND

In order to conserve the resources for growth of the Company, the Board has not recommended any dividend for the financial year ended March 31, 2023.

DISCLOSURES

DEPOSITS

During the year the Company has not invited or accepted any deposit as per the provisions of the Companies Act, 2013. The details relating to deposits, covered under Chapter V of the Act are as follows:

- a) Accepted during the year: Nil
- b) Remained unpaid or unclaimed as at the end of the year: Nil
- c) Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount is involved- Not applicable
 - I. at the beginning of the year: Not applicable
 - II. maximum during the year: Not applicable
 - III. at the end of the year: Not applicable
- d) The details of deposits which are not in compliance with the requirements of Chapter V of the Act: Nil

EMPLOYEES' STOCK OPTION SCHEME (ESOP)

There is no ESOP Plan(s) in force presently.

Particulars of employees in terms of the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Companies Act, 2013: Not Applicable

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) Conservation of Energy

- I. The steps taken or impact on conservation of energy;
Some of the measures taken by your Company for energy conservation are building designs to ensure adequate day time lighting, use of AAC Blocks, energy efficient VFD motors, CFL with electronic chokes, LED Lamps, PLC controlled DG Sets etc.
- II. The steps taken by the company for utilizing alternate sources of energy – Solar Roof Top Panel System of 50kWp is installed and commissioned.
- III. The capital investment on energy conservation equipments during the year was: Nil.

(B) Technology absorption

The Company is engaged in development of real estate and there is no technology import /absorption. However, the Company insists on deployment of latest construction/development techniques.

- I. The efforts made towards technology absorption; N.A.
- II. The benefits derived like product improvement, cost reduction, product development or import substitution; - NA
- III. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - a) The details of technology imported: N.A.
 - b) The year of import: N.A.
 - c) Whether the technology been fully absorbed: N.A
 - d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A. and
- IV. The expenditure incurred on Research and Development: N.A.

(C) FOREIGN EXCHANGE

Foreign Exchange earnings in terms of actual inflows and outgo in terms of actual outflows during the year are as follows:

Particulars	(Rs. in Lakhs)	
	<u>for the year ended 31.03.2023</u>	<u>for the year ended 31.03.2022</u>
Earnings	Nil	Nil
Outgo	324.22	101.77

SHARE CAPITAL

The Authorized Share Capital of the Company is Rs. 1,10,80,00,000/- (Rupees One Hundred Ten Crores and Eighty Lakhs Only) divided into 11,07,99,000 (Eleven Crores Seven Lakhs and Ninety-Nine Thousand) Equity Shares of Rs. 10/- each and 100 (Hundred) 13.5% Redeemable Cumulative Preference Shares of Rs. 100 each.

The Paid-up Share Capital of the Company is Rs. 1,07,80,00,000/- (Rupees One Hundred and Seven Crores and Eighty Lakhs Only) divided into 10,78,00,000 (Ten Crores and Seventy-Eight Lakhs) Equity Shares of Rs. 10/- each.

During the period under review, there is no change in Authorised Share Capital and Paid-up Share Capital of the Company.

EXTRACT OF ANNUAL RETURN

The annual return in Form No.MGT-7 for the financial year 2021-22 is available on the website of the Company (www.purearth.in). The due date for filing annual return for the financial year 2022-23 is within a period of sixty days from the date of annual general meeting. Accordingly, the Company shall file the same with the Ministry of Corporate Affairs within prescribed time and a copy of the same shall be made available on the website of the Company (www.purearth.in) as is required in terms of Section 92(3) of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGMENTS WITH RELATED PARTIES

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are attached herewith in Form AOC-2 as Annexure – 2 to the Directors' Report. However, particulars of contracts or arrangements with related parties are provided in the financial statements of the Company.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has adequate internal financial controls with reference to the financial statement prepared as at 31st March, 2023 and are being followed regularly.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There is no material changes and commitments affecting the financial position of the Company between the end of financial year and the date of this report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There is no order passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

The Company has not filed any application under Insolvency and Bankruptcy Code, 2016 and there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year.

DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS

During the year under review, there has been no one time settlement of loans taken from Banks & Financial Institutions.

ACKNOWLEDGEMENTS

The Directors acknowledge the active co-operation and help received from the Financial Institutions, Banks and Government agencies. Your Directors further wish to acknowledge the support of all the customers to the Project.

The Directors wish to place on record their appreciation of the contribution made by the employees at all levels.

For and on behalf of the Board

Sd/-

(Sat Pal Khattar)

Chairman

(DIN: 00307293)

Place: Singapore

Date: 08th May, 2023

Independent Auditor's Report

To the Members of Purearth Infrastructure Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Purearth Infrastructure Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 Standalone 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the

other information. Other information does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Annual Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

5. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the standalone financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using

the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the standalone 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 Standards on Auditing 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 standalone financial statements.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the standalone 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 standalone 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 Board of

Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern and

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.

Report on Other Legal and Regulatory Requirements

11. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying standalone financial statements;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- c) The standalone financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company, as detailed in note 36 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;
 - iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 49(vii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 49(viii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the 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 as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2023.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Manish Agrawal

Partner

Membership No.: 507000

UDIN: 23507000BGYER1893

Place: New Delhi

Date: 08 May 2023

Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Purearth Infrastructure Limited on the standalone financial statements for the year ended 31 March 2023

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 report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment and right of use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under 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 and intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in aggregate for each class of inventory were noticed as compared to books records.
- (b) The Company has not been sanctioned working capital limits in excess of five crore rupees by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

- (iii) (a) The Company has provided loans or advances in the nature of loans to Others during the year as per details given below:

(₹ in Lakhs)

Particulars	Loans
Aggregate amount provided/granted during the year:	185.84
- Others	
Balance outstanding as at balance sheet date in respect of above cases:*	2,288.18
- Others	

* inclusive of interest accrued

- (b) The Company has not made any investment, provided any guarantee or given any security during the year. However, the Company has granted loan or advances in the nature of loans to 1 entity, amounting to ₹ 185.84 lakhs (year-end balance ₹ 2,288.18 lakhs) and in our opinion and according to the information and explanations given to us, such loan or advances in the nature of loans provided are, prime facie, not prejudicial to the interest of the company.
- (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and principal amount and interest is not due for repayment currently.
- (d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies.
- (e) The Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan that existed as at the beginning of the year.
- (f) The Company has not granted any loan or advance in the nature of loan, which is repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable. As the Company is engaged in providing infrastructural facilities as specified in Schedule VI of the Act, provisions of section 186 except sub-section (1) of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions

- of sub-section (1) of section 186 in respect of investments, as applicable.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. 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 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has only one CICs as part of the Group.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management 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 indicating 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) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000
UDIN: 23507000BGYER1893

Place: New Delhi
Date: 8 May 2023

Annexure B to the Independent Auditor's Report of even date to the members of Purearth Infrastructure Limited on the standalone financial statements for the year ended 31 March 2023

Annexure B

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Purearth Infrastructure Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's 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 Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, 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 standalone financial statements, whether due to fraud or error.

5. 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 standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2023, based on internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner

Place: New Delhi
Date: 08 May 2023

Membership No.: 507000
UDIN: 23507000BGYER11893

ANNUAL REPORT 2022 - 23
Standalone Balance Sheet as at 31 March 2023
(All amounts in ₹ Lakhs unless otherwise stated)

PUREARTH

Particulars	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	5	91.19	125.71
Intangible assets	5A	4.72	-
Right of use assets	6	-	22.80
Financial assets			
Investments	7	20.00	20.00
Other financial assets	8	2,315.68	1,941.73
Deferred tax assets (net)	35(d)	3,434.65	3,386.40
Non-current tax assets	9	111.96	141.41
Other non-current assets	10	83.12	89.10
Total non-current assets		6,061.32	5,727.15
Current assets			
Inventories	11	36,133.00	47,227.46
Financial assets			
Trade receivables	12	935.00	1,299.83
Cash and cash equivalents	13	860.77	190.94
Bank balances other than cash and cash equivalents above	14	941.06	1,074.36
Other financial assets	15	258.97	216.14
Other current assets	16	437.73	575.65
Total current assets		39,566.53	50,584.38
Total assets		45,627.85	56,311.53
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	10,780.00	10,780.00
Other equity	18	(176.65)	(879.98)
Total equity		10,603.35	9,900.02
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19	4,003.44	6,420.97
Other financial liabilities	21	2,925.25	2,606.02
Provisions	22	129.92	102.75
Other non-current liabilities	23	197.66	310.21
Total non-current liabilities		7,256.27	9,439.95
Current liabilities			
Financial liabilities			
Borrowings	19	2,040.64	4,852.01
Lease liabilities	20	-	23.17
Trade payables			
total outstanding dues of micro enterprises and small enterprises; and	24	27.78	29.40
total outstanding dues of creditors other than micro enterprises and small enterprises	24	10,903.61	10,834.92
Other financial liabilities	25	106.66	48.11
Other current liabilities	26	14,682.83	21,176.27
Provisions	27	6.71	7.68
Total current liabilities		27,768.23	36,971.56
Total liabilities		35,024.50	46,411.51
Total equity and liabilities		45,627.85	56,311.53
Summary of significant accounting policies	4		
The accompanying notes are an integral part of these standalone financial statements			
This is the Standalone Balance Sheet referred to in our report of even date.			

For **Walker Chandio & Co. LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Manish Agrawal

Partner

Membership No.: 507000

Place: New Delhi

Date: 8 May 2023

For and on behalf of the Board of Directors of
Purearth Infrastructure Limited

Sat Pal Khattar

Chairman

DIN: 00307293

Place: Singapore

Date: 8 May 2023

Sumant Bharat Ram

Whole Time Director

DIN: 00052833

Place: New Delhi

Date: 8 May 2023

Sachin Kumar Gupta

Company Secretary

Place: New Delhi

Date: 8 May 2023

Ajay Khanna

Chief Financial Officer

Place: New Delhi

Date: 8 May 2023

ANNUAL REPORT 2022 - 23
Standalone Statement of Profit and Loss for the year ended 31 March 2023
(All amounts in ₹ Lakhs unless otherwise stated)

PUREARTH

Particulars	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Income			
Revenue from operations	28	17,193.38	22,167.84
Other income	29	422.66	351.39
Total income		17,616.04	22,519.23
Expenses			
Cost of revenue	30	13,176.88	14,625.43
Employee benefits expense	31	752.46	604.31
Finance costs	32	1,161.38	1,493.39
Depreciation and amortisation expense	33	64.04	43.98
Other expenses	34	1,797.12	1,520.50
Total expenses		16,951.88	18,287.61
Profit before tax		664.16	4,231.62
Tax expense			
Current tax	35	-	-
Deferred tax		(45.96)	1,102.21
Net profit for the year		710.12	3,129.41
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement (loss)/gain of defined benefit obligation		(9.08)	5.22
Income tax relating to items that will not be reclassified to profit or loss			
Income tax relating to remeasurement of defined benefit obligation		2.29	(1.31)
Total other comprehensive (loss)/income, net of taxes		(6.79)	3.91
Total comprehensive income for the year		703.33	3,133.32
Earnings per equity share			
Basic and diluted profit per equity share (amount in ₹)	37	0.66	2.90
Summary of significant accounting policies			
	4		

The accompanying notes are an integral part of these standalone financial statements

This is the standalone Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandio & Co. LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
Purearth Infrastructure Limited

Manish Agrawal
Partner
Membership No.: 507000
Place: New Delhi
Date: 8 May 2023

Sat Pal Khattar
Chairman
DIN: 00307293
Place: Singapore
Date: 8 May 2023

Sumant Bharat Ram
Whole Time Director
DIN: 00052833
Place: New Delhi
Date: 8 May 2023

Sachin Kumar Gupta
Company Secretary
Place: New Delhi
Date: 8 May 2023

Ajay Khanna
Chief Financial Officer
Place: New Delhi
Date: 8 May 2023

ANNUAL REPORT 2022 - 23
Standalone Cash flow statement for the year ended 31 March 2023
(All amounts in ₹ Lakhs unless otherwise stated)

PUREARTH

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A. Cash flow from operating activities		
Profit before taxation	664.16	4,231.62
Adjustments for :		
Net (gain)/ loss on sale of property, plant and equipment	(0.60)	0.34
Loss allowance on doubtful receivables	359.81	70.89
Bad debts written off	0.11	0.69
Forfeiture income	-	(2.02)
Interest income on deposits with banks and financial institutions	(58.48)	(60.23)
Interest income - others	(209.00)	(166.74)
Amortisation of deferred income	(113.07)	(113.34)
Depreciation and amortisation expense	64.04	43.98
Interest expense on others	243.32	232.57
Interest expense on borrowings	918.06	1,260.82
Provision for employee benefits	23.92	24.23
Operating profit before working capital changes and other adjustments	1,892.27	5,522.81
Changes in working capital and other adjustments		
Non-current financial assets	(187.24)	(289.81)
Inventories	11,094.46	7,055.49
Trade receivables	4.91	743.17
Other current financial assets	(37.99)	(81.59)
Other current and non-current assets	144.78	(60.28)
Trade payables	67.07	2,472.28
Current and non-current financial liabilities	134.40	30.42
Current and non-current provisions	(6.80)	(10.86)
Other current and non-current liabilities	(6,492.92)	(10,591.73)
Cash flow from operations activities post working capital changes	6,612.94	4,789.90
Taxes refund/(paid) (net)	29.45	(97.63)
Net cash flow from operating activities (A)	6,642.39	4,692.27
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(12.34)	(106.82)
Sale of property, plant and equipment	1.45	-
Interest received	75.93	65.93
Proceeds from bank deposits	2,059.27	7,940.92
Investment in bank deposits	(1,925.97)	(9,000.58)
Net cash flow from /(used in) investing activities (B)	198.34	(1,100.55)

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Standalone Cash flow statement for the year ended 31 March 2023 ...Cont.d

(All amounts in ₹ Lakhs unless otherwise stated)

PUREARTH

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
C. Cash flow from financing activities		
Repayment of non-current borrowings	(382.64)	(833.50)
Repayment of current borrowings	(4,852.01)	(2,880.71)
Proceeds from non-current borrowings	-	89.00
Interest paid	(912.25)	(1,260.45)
Payment of lease liabilities	(24.00)	(36.00)
Net cash used in financing activities (C)	(6,170.90)	(4,921.66)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	669.83	(1329.94)
Cash and cash equivalents at the beginning of the year	190.94	1,520.88
Cash and cash equivalents at the end of the year	860.77	190.94
Notes to Cash flow statement		
1. Components of cash and cash equivalents (refer note 13)		
Cash on hand	3.37	3.09
Balances with scheduled banks:		
- Bank deposits with original maturity of less than three months	484.00	120.00
- Current accounts	373.40	67.85
Cash and cash equivalents at the end of the year	860.77	190.94

Note: The above Standalone Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes are an integral part of these standalone financial statements

This is the Standalone Cash Flow Statement referred to in our report of even date

For **Walker Chandiook & Co. LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
Purearth Infrastructure Limited

Manish Agrawal
Partner
Membership No.: 507000
Place: New Delhi
Date: 8 May 2023

Sat Pal Khattar
Chairman
DIN: 00307293
Place: Singapore
Date: 8 May 2023

Sumant Bharat Ram
Whole Time Director
DIN: 00052833
Place: New Delhi
Date: 8 May 2023

Sachin Kumar Gupta
Company Secretary
Place: New Delhi
Date: 8 May 2023

Ajay Khanna
Chief Financial Officer
Place: New Delhi
Date: 8 May 2023

A. Equity share capital*

Particulars	Amount
Balance as at 1 April 2021	10,780
Changes in equity share capital during 2021-22	-
Balance as at 31 March 2022	10,780
Changes in equity share capital during 2022-23	-
Balance as at 31 March 2023	10,780

B. Other equity**

Particulars	Reserve and surplus			Total
	Securities premium	Capital redemption reserve	Retained earnings	
Balance as at 1 April 2021	5,720.00	96.60	(9,829.90)	(4,013.30)
Profit for the year	-	-	3,129.41	3,129.41
Total other comprehensive income (net of tax)	-	-	3.91	3.91
Total comprehensive income for the year	-	-	3,133.32	3,133.32
Balance as at 31 March 2022	5,720.00	96.60	(6,696.58)	(879.98)
Profit for the year	-	-	710.12	710.12
Total other comprehensive income (net of tax)	-	-	(6.79)	(6.79)
Total comprehensive income for the year	-	-	703.33	703.33
Balance as at 31 March 2023	5,720.00	96.60	(5,993.25)	(176.65)

*Refer note 17 for details

**Refer note 18 for details

The accompanying notes are an integral part of these standalone financial statements

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandio & Co. LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

**For and on behalf of the Board of Directors of
Purearth Infrastructure Limited**

Manish Agrawal
Partner
Membership No.: 507000
Place: New Delhi
Date: 8 May 2023

Sat Pal Khattar
Chairman
DIN: 00307293
Place: Singapore
Date: 8 May 2023

Sumant Bharat Ram
Whole Time Director
DIN: 00052833
Place: New Delhi
Date: 8 May 2023

Sachin Kumar Gupta
Company Secretary
Place: New Delhi
Date: 8 May 2023

Ajay Khanna
Chief Financial Officer
Place: New Delhi
Date: 8 May 2023

1. Company information

Purearth Infrastructure Limited ('PIL' or 'the Company') is a Company domiciled in India, as a Public Limited Company with a registered office at Central Square, 20 Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi, India. The Company is engaged in the business of real estate development. The operations of the Company span all aspects of real estate development, from the identification and acquisition of land, to planning, execution, construction, and marketing of projects.

2. General information and statement of compliance with Ind AS

These standalone financial statements ('financial statements') of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')), as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

The financial statements are presented in Indian Rupees ('₹') which is also the functional currency of the Company.

The financial statements for the year ended 31 March 2023 were authorized and approved for issue by the Board of Directors on 08 May 2023. The revisions to the financial statements are permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

3. Basis of preparation

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair value as explained in relevant accounting policies. Fair valuations related to financial assets and financial liabilities are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

Amount in the financial statements are presented in ₹ lakhs, unless otherwise stated. Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as 0.00 lakhs.

4. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements.

4.1 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Companies Act 2013. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

4.2 Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. The Company applies the revenue recognition criteria to each nature of the revenue transaction as set out below:

Revenue from sale of properties and development rights

Revenue from sale of properties and development rights is recognized when the performance obligations are essentially complete and credit risks have been significantly eliminated. The performance obligations are considered to be completed when control over the property, associated risks has been transferred to the buyers and substantial sales consideration is also received from the buyers.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for

transferring property to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

For each performance obligation identified, the Company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. A receivable is recognised by the Company when the control is transferred as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

The costs estimates are reviewed periodically and effect of any change in such estimate is recognized in the period such changes are determined. However, when the total estimated cost exceeds total expected revenues from the contracts, the loss is recognized immediately.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Facility and Maintenance business income

Revenue from facility and maintenance services is recognised on accrual basis, in accordance with the terms of respective maintenance agreement.

Rental income

Rental income is recognized on a straight-line basis over the terms of the lease.

Others

Interest due on delayed payments by customers, cancellation/forfeiture income and transfer fees/charges from customers are recognized on receipt basis due to uncertainty of recovery of the same.

4.3 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

4.4 Employee benefits

Defined contribution plan

The Company's contribution to provident fund is charged to the statement of profit and loss or inventorized as a part of real estate project under development, as the case may be. The Company's contributions towards provident fund are deposited with the regional provident fund commissioner under a defined contribution plan.

Defined benefit plan

The Company has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Other long-term employee benefits

The Company also provides benefit of compensated absences to its employees which are in the nature of long -term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

4.5 Property, plant and equipment (PPE)

Recognition and initial measurement

Property, plant and equipment are measured at their cost of acquisition, net of accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent measurement (depreciation)

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the Written Down Value ('WDV') method on the basis of rates derived as per the useful life specified in Part 'C' of Schedule II of the Act which represents useful lives of the assets, as estimated by the management taking into account the nature of the asset, the estimated usage of the asset and the operating conditions of the asset. Depreciation charged is recognised in the Statement of profit and loss.

De-recognition

An item of property, plant and equipment initially recognised is derecognised 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 recognised in statement of profit and loss when the asset is de-recognised.

4.6 Lease:

Where the Company is the lessee

Right of use assets and lease liabilities

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. The Company enters into leasing arrangements for various assets. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company obtains substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

Recognition and initial measurement- right-of-use asset

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any),

and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement- right-of-use asset

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

Recognition and initial measurement- lease liability

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed) and variable payments based on an index or rate.

Subsequent measurement- lease liability

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in interim statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis or another systematic basis as per the terms of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

4.7 Financial instruments

Financial assets

Recognition and initial measurement

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

Financial assets at amortised cost – A 'financial assets' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- 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 amortised cost using the effective interest rate (EIR) method.

Investments in equity instruments of subsidiaries

Investments in equity instruments of subsidiaries are accounted for at cost in accordance with Ind AS 27 'Separate Financial Statements'.

Investments in other equity instruments

Investments in equity instruments which are held for trading are classified as at fair value through profit or loss ('FVTPL'). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income ('FVTOCI') or fair value through profit or loss ('FVTPL'). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognized in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Recognition and initial measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement – Amortised cost

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

Recognition, initial and subsequent measurement – fair value

A financial liability is classified as fair value through profit and loss ('FVTPL') if it is designated as such upon initial recognition. Financial liabilities at FVTPL are measured at fair value and net gain/losses, including any interest expense are recognised in statement of profit and loss.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

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

Fair value measurement

The Company measures financial instruments at fair value at each Standalone Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

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

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

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

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.

The management determines the policies and procedures for both recurring fair value measurement and unquoted financial assets measured at fair value and for non-recurring measurement.

4.8 Impairment of financial assets

In accordance with Ind AS 109 'Financial Instruments', the Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets. ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition, if the financial asset is determined to have low credit risk at the balance sheet date.

4.9 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the recoverable amount of the asset or the cash generating unit

is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

4.10 Inventories

Land other than that transferred to real estate properties under development is valued at lower of cost or net realizable value.

Real estate project (developed and under development) includes cost of land under development, development rights, internal and external development costs, construction costs, and development/construction materials, borrowing costs and related overhead costs and is valued at lower of cost or net realizable value.

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

4.11 Income taxes

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognised in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income 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 is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

4.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

4.13 Provisions, contingent liabilities and contingent assets

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

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

Contingent assets are neither recognised nor disclosed. However, when realization of income is virtually certain, related asset is recognised.

4.14 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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.

4.15 Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosure.

Significant management judgements

Recoverability of advances / receivables

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, (refer note 36). By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments by management and the use of estimates regarding the outcome of future events.

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Impairment of non-financial assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Impairment of financial assets – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Classification of leases – The Company enters into leasing arrangements for premises. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Significant estimates

Revenue and inventories – The estimates around total budgeted cost i.e. outcomes of underlying construction and service contracts, which further require assessments and judgements to be made on changes in work scopes, claims and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available contractual and historical information. The estimates of the saleable area are also reviewed periodically and effect of any changes in such estimates is recognised in the period such changes are determined.

The Company estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future demand or other market-driven changes that may reduce future selling prices.

Defined benefit obligation (DBO) – Management’s estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

4.16 Recent accounting pronouncements (Standards issued but not yet effective)

Amendment to Ind AS 1, Presentation of Financial Statements

The Ministry of Corporate Affairs (“MCA”) vide notification dated 31 March 2023, has issued an amendment to Ind AS 1 which requires entities to disclose material accounting policies instead of significant accounting policies. Accounting policy information considered together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The amendment also clarifies that immaterial accounting policy information does not need to disclose. If it is disclosed, it should not obscure material accounting information.

Amendment to Ind AS 8, Accounting Policies, Change in Accounting Estimates and Errors

The Ministry of Corporate Affairs (“MCA”) vide notification dated 31 March 2023, has issued an amendment to Ind AS 8 which specifies an updated definition of an ‘accounting estimate’. As per the amendment, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty and measurement techniques and inputs are used to develop an accounting estimate. Measurement techniques include estimation techniques and valuation techniques.

Amendment to Ind AS 12, Income Taxes

The Ministry of Corporate Affairs (“MCA”) vide notification dated 31 March 2023, has issued an amendment to Ind AS 12, which requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases of lessees and decommissioning obligations and will require recognition of additional deferred tax assets and liabilities.

The Company is evaluating these requirements of the said amendments and its impact on these financial statements.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in ₹ Lakhs unless otherwise stated)

PUREARTH

5. Property, plant and equipment: Reconciliation of carrying amount

Particulars	Computers	Office equipments	Vehicles*	Furniture and fixtures	Air conditioners	Total
Gross carrying value						
Balance as at 1 April 2021	16.31	6.39	18.57	70.64	0.22	112.13
Additions made during the year	4.59	0.26	101.78	0.19	-	106.82
Disposals / adjustments during the year	-	(1.05)	-	-	-	(1.05)
Balance as at 31 March 2022	20.90	5.60	120.35	70.83	0.22	217.90
Additions made during the year	5.09	1.04	0.16	1.19	-	7.48
Disposals / adjustments during the year	(0.63)	(0.34)	(7.77)	-	-	(8.74)
Balance as at 31 March 2023	25.36	6.30	112.74	72.02	0.22	216.64

Accumulated depreciation

Balance as at 1 April 2021	11.75	2.60	15.22	53.44	0.03	83.04
Depreciation expense for the year	3.14	0.62	1.92	4.18	-	9.86
On disposals / adjustments during the year	-	(0.71)	-	-	-	(0.71)
Balance as at 31 March 2022	14.89	2.51	17.14	57.62	0.03	92.19
Depreciation expense for the year	4.87	0.58	32.37	3.28	-	41.10
On disposals / adjustments during the year	(0.60)	(0.32)	(6.92)	-	-	(7.84)
Balance as at 31 March 2023	19.16	2.77	42.59	60.90	0.03	125.45

Net carrying value

As at 31 March 2023	6.20	3.53	70.15	11.12	0.19	91.19
As at 31 March 2022	6.01	3.09	103.21	13.21	0.19	125.71

Notes:

* Refer note 19 for details of vehicles hypothecated/pledged against borrowings.

5A. Intangible assets:

Reconciliation of carrying amount

Particulars	Software	Total
Gross carrying value		
Balance as at 1 April 2021	-	-
Addition during the year	-	-
Balance as at 31 March 2022	-	-
Addition during the year	4.86	4.86
Balance as at 31 March 2023	4.86	4.86

Accumulated depreciation

Balance as at 1 April 2021	-	-
Charge for the year	-	-
Balance as at 31 March 2022	-	-
Charge for the year	0.14	0.14
Balance as at 31 March 2023	0.14	0.14

Net block

As at 31 March 2023	4.72	4.72
As at 31 March 2022	-	-

ANNUAL REPORT 2022 - 23Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in ₹ Lakhs unless otherwise stated)**PUREARTH****6. Right of use assets (refer note 46)**

Particulars	Building	Total
Gross carrying value		
Balance as at 1 April 2021	50.60	50.60
Additions during the year	51.29	51.29
Balance as at 31 March 2022	101.89	101.89
Additions during the year	-	-
Balance as at 31 March 2023	101.89	101.89

Accumulated depreciation

Balance as at 1 April 2021	44.97	44.97
Charge for the year	34.12	34.12
Balance as at 31 March 2022	79.09	79.09
Charge for the year	22.80	22.80
Balance as at 31 March 2023	101.89	101.89

Net block

As at 31 March 2023	-	-
As at 31 March 2022	22.80	22.80

	As at 31 March 2023	As at 31 March 2022
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7. Non-current financial assets - Investments**Investment in equity instruments of subsidiaries (at cost)****Unquoted equity instruments**

Kalptru Realty Private Limited

50,000 (31 March 2022: 50,000) equity shares of face value of ₹ 10 each, fully paid up	5.00	5.00
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Kamayani Facility Management Private Limited

50,000 (31 March 2022: 50,000) equity shares of face value of ₹ 10 each, fully paid up	5.00	5.00
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Vighanharta Estates Private Limited

100,000 (31 March 2022: 100,000) equity shares of face value of ₹ 10 each, fully paid up	10.00	10.00
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Total	20.00	20.00
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Aggregate book value of unquoted investments in equity shares	20.00	20.00
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(All amounts in ₹ Lakhs unless otherwise stated)**PUREARTH**

	As at 31 March 2023	As at 31 March 2022
8. Non-current other financials assets		
Receivables from related party* (Refer note 40)		
<i>(Secured, considered good)</i>		
- Receivables principal	1,952.24	1,766.39
- Interest Accrued but not due on above	335.94	149.23
Security deposits	27.50	26.11
Total	<u>2,315.68</u>	<u>1,941.73</u>

* The Company had entered into agreements dated 27 March 2021 and 17 April 2021 with DCM Limited for acquisition by DCM limited of certain Company's units in its residential project namely "Amaryllis" for an aggregate consideration (exclusive of interest accrued) of ₹ 1,952.24 lakhs (31 March 2022 - ₹ 1,766.39 lakhs). These units have been made fully paid by the Company by allowing DCM Limited to make a deferred payment plan within a period of 3 years from the date of allotment and same has been recorded as a book debt receivable by the Company in accordance with the agreement. It also carries interest which is higher of 0.25% p.a over and above effective rate of interest charged by HDFC Ltd from the Company or @ 10.50% p.a. upto 30 June 2021 and thereafter carries interest 0.25% p.a. over effective rate of interest charged by HDFC Ltd from the Company. A charge has been created by deposit of title deeds of Industrial land at Hissar, Haryana admeasuring 43.644 acres owned by DCM limited for securing the said book debt.

a) Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties

Type of Borrower	As at 31 March 2023		As at 31 March 2022	
	Advance in the nature of loan outstanding	Percentage to Advances in the nature of loans	Advance in the nature of loan outstanding	Percentage to Advances in the nature of loans
Related Parties(DCM Limited)	2,288.18	100%	1,915.62	100%

	As at 31 March 2023	As at 31 March 2022
9. Non-current tax assets		
Advance income tax including tax deducted at source	111.96	141.41
Total	<u>111.96</u>	<u>141.41</u>

10. Other non-current assets*(Unsecured and considered good)*

Balances with statutory authorities	81.41	80.91
Loans to employees	-	0.47
Prepaid expenses	1.71	7.72
Total	<u>83.12</u>	<u>89.10</u>

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(All amounts in ₹ Lakhs unless otherwise stated)**PUREARTH**

	As at 31 March 2023	As at 31 March 2022
11. Inventories*		
<i>*(Valued at lower of cost or net realisable value)</i>		
Construction materials in stock (at cost)	55.84	59.15
Sub total	<u>55.84</u>	<u>59.15</u>
Real estate properties under development (at cost)		
Cost of properties under development (net off written off)	38,375.77	49,802.87
Less: Provision for expected loss**	(2,298.61)	(2,634.56)
Sub total	<u>36,077.16</u>	<u>47,168.31</u>
Total	<u>36,133.00</u>	<u>47,227.46</u>

**The Company has recorded a provision for expected loss of ₹ 103.91 Lakhs (previous year ₹ 178.01 Lakhs) for sold units of Central Square (Plaza 4) based on updated budgeted cost and ₹ Nil (previous year ₹ 466.01 Lakhs) for units for which revenue has not been recognised in respect of Central Square (Plaza 1,2 & 3) other than already recorded. Further , the Company has reversed provision for expected losses of ₹ 290.65 Lakhs (previous year ₹ 1,143.82 lakhs) of old flat buyer units of Park Square (Phase – I) and ₹ 149.21 Lakhs (previous year ₹ Nil) of Central Square (Plaza 1,2 & 3) as actual cost and revenue have been recognised for these units in the current year.

12. Trade receivables*(Unsecured and considered good, unless otherwise stated)*

Considered good*	935.00	1,299.83
Credit impaired	482.25	122.44
	<u>1,417.25</u>	<u>1,422.27</u>
Less: Loss allowance**	(482.25)	(122.44)
	<u>935.00</u>	<u>1,299.83</u>
Total	<u>935.00</u>	<u>1,299.83</u>

*For amounts of trade receivables owing from related parties, refer note 40.

**The Company's exposure to credit and currency risks, and loss allowance related to trade receivables are disclosed in note 47.

Ageing schedule of trade receivables as on 31 March 2023

As at 31 March 2023	Outstanding from the due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	149.87	108.02	2.41	-	674.70	935.00
Undisputed trade receivables – credit impaired	172.39	206.80	30.67	18.03	54.36	482.25
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
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Ageing schedule of trade receivables as on 31 March 2022

As at 31 March 2022	Outstanding from the due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	154.23	11.11	6.34	-	1,128.15	1,299.83
Undisputed trade receivables – credit impaired	60.86	7.92	13.41	17.20	23.05	122.44
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-

	As at 31 March 2023	As at 31 March 2022
13. Cash and cash equivalents		
Balances with banks		
- In current accounts	373.40	67.85
- Bank deposits with original maturity of less than three months	484.00	120.00
Cash on hand	3.37	3.09
Total	<u>860.77</u>	<u>190.94</u>
14. Bank balances other than cash and cash equivalents above		
Bank deposits with original maturity of more than three months but upto twelve months*	941.06	1,074.36
Total	<u>941.06</u>	<u>1,074.36</u>
* includes ₹ 16.05 lakhs (31 March 2022: ₹ 15.37 lakhs) pledged with Government Authorities as bank guarantee.		
15. Other current financial assets		
Security deposit	-	8.49
Interest accrued*	18.88	14.04
Advances to related party (refer note 40)	128.37	193.61
Other advances	111.72	-
Total	<u>258.97</u>	<u>216.14</u>
* includes ₹ 0.36 lakhs (31 March 2022: ₹ 0.30 lakhs) pledged with Government Authorities		
16. Other current assets		
<i>(Unsecured and considered good)</i>		
Advances to suppliers	0.32	2.94
Prepaid expenses	25.94	31.57
Balance with statutory/government authorities	408.24	536.74
Loans to employees	0.47	1.64
Others	2.76	2.76
Total	<u>437.73</u>	<u>575.65</u>

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 Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
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	As at 31 March 2023		As at 31 March 2022	
17. Equity share capital				
a) Authorised				
110,799,000 (31 March 2022: 110,799,000) equity shares of ₹ 10 each	11,079.90		11,079.90	
100 (31 March 2022: 100) 13.5% redeemable cumulative preference shares of ₹ 100 each	<u>0.10</u>		<u>0.10</u>	
b) Issued, subscribed and fully paid-up				
107,800,000 (31 March 2022: 107,800,000) equity shares of ₹ 10 each fully paid-up	10,780.00		10,780.00	
Total issued, subscribed and fully paid-up share capital	<u>10,780.00</u>		<u>10,780.00</u>	
c) Reconciliation of the shares outstanding at the beginning and at the end of reporting year:				
	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the beginning of the year	10,78,00,000	10,780.00	10,78,00,000	10,780.00
Add: Shares issued during the year	-	-	-	-
At the end of the year	<u>10,78,00,000</u>	<u>10,780.00</u>	<u>10,78,00,000</u>	<u>10,780.00</u>
d) Rights, preferences and restrictions attached to equity shares:				
The Company issued one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company (after distribution of all preferential amounts, if any) in the proportion of equity shares held by the shareholders.				
e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:				
	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
Tiara Investment Holdings Limited (Holding company)	5,46,00,000	50.65%	5,46,00,000	50.65%
Aggresar Leasing and Finance Private Limited	1,79,89,455	16.69%	1,79,89,455	16.69%
DCM Limited	1,78,53,605	16.56%	1,78,53,605	16.56%
Unison International IT Services Limited	71,15,182	6.60%	71,15,182	6.60%
Sumant Bharat Ram	58,61,818	5.44%	58,61,818	5.44%

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(All amounts in ₹ Lakhs unless otherwise stated)**PUREARTH****f) Details of shares held by holding company and subsidiary of ultimate holding company:**

	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
Tiara Investment Holdings Limited (Holding company)	5,46,00,000	50.65%	5,46,00,000	50.65%
Total	<u>5,46,00,000</u>	<u>50.65%</u>	<u>5,46,00,000</u>	<u>50.65%</u>

g) Aggregate number of shares issued for consideration other than cash

No shares have been issued for other than cash during the period of five years immediately preceding 31 March 2023

h) Details of promoter shareholding

	As at 31 March 2023			As at 31 March 2022		
	Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
Tiara Investment Holdings Limited (Holding company)	5,46,00,000	50.65%	-	5,46,00,000	50.65%	-
Aggresar Leasing and Finance Private Limited	1,79,89,455	16.69%	-	1,79,89,455	16.69%	-
DCM Limited	1,78,53,605	16.56%	-	1,78,53,605	16.56%	-
Unison International IT Services Limited	71,15,182	6.60%	-	71,15,182	6.60%	-
Sumant Bharat Ram	58,61,818	5.44%	-	58,61,818	5.44%	-
Til Investments Private limited	32,04,500	2.97%	-	32,04,500	2.97%	-
Atlantic Commercial Company limited	4,00,000	0.37%	-	4,00,000	0.37%	-
Sat Pal Khattar	2,94,100	0.27%	-	2,94,100	0.27%	-

	As at 31 March 2023	As at 31 March 2022
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18. Other equity

Reserves and surplus		
Securities premium reserve	5,720.00	5,720.00
Capital redemption reserve	96.60	96.60
Retained earnings	(5,993.25)	(6,696.58)
Total	<u>(176.65)</u>	<u>(879.98)</u>

Nature and purpose of other reserves**a) Securities Premium reserve**

Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Companies Act, 2013.

b) Capital redemption reserve

Capital redemption reserve was created on account of buyback of shares as per the requirements of Companies Act, 2013. The reserve will be utilised in accordance with provisions of the Companies Act, 2013

c) Retained earnings

Retained earnings is used to record balance of statement of profit and loss.

19 Borrowings	Non-current borrowing		Current borrowing	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Term loan from banks*	56.95	73.46	16.51	15.54
Term loan from others**	3,946.49	6,347.51	2,024.13	4,836.47
	<u>4,003.44</u>	<u>6,420.97</u>	<u>2,040.64</u>	<u>4,852.01</u>

Repayment terms and security disclosure for the outstanding borrowings as at 31 March 2023 and 31 March 2022:***From banks:****Secured borrowings:**

The Company had availed Vehicle Loan with Balance of ₹ 73.46 lakhs (31 March 2022: ₹ 89.00 Lakhs) from Axis Bank for official purposes which are secured by hypothecation of specific vehicle with first and exclusive charge and further secured by personal guarantee of Mr. Sumant Bharat Ram. The loans are carrying an interest rate of 7.10 % p.a. (31 March 2022: 7.10 %)

****From others:****Secured borrowings:**

(i) Term loans amounting to ₹ 3,983.12 Lakhs (31 March 2022: ₹ 8,533.98 Lakhs) is secured by first pari-passu charge on the land admeasuring 118,823.90 sq. yards. situated at Bara Hindu Rao, Delhi, owned by DCM Limited and the flats/flatted factories, present and future constructed/to be constructed thereon excluding the flats/flatted factories constructed/to be constructed booked by the customers of erstwhile builders and on which lien has been specifically released. These term loans are further secured by first charge over the receivables of the Company from the project by the name and style of "Central Square", first charge/lien on escrow accounts held singly/jointly by the Company and the Company's revenue share from present and future built up space/FSI being developed under the "Joint Development Agreement" for its residential project named as "Park Square" (now known as "The Amaryllis"). These term loans are further secured by pledge of 100% shares of Juhi Developers Private Limited which are owned by Betterways Finance and Leasing Private Limited (merged with Aggresar Leasing and Finance Private Limited effective 26 August 2016), Dr. Vinay Bharat Ram and Mr. Sumant Bharat Ram and pledge of 100% shares of Teak Farms Private Limited which are owned by Mr. Sumant Bharat Ram, Mr. Yuv Bharat Ram and Mr. Rahil Bharat Ram. These loans are further secured by creating first equitable mortgage on land owned by DCM Limited on Plot No. 4 and 11 admeasuring 1473.4 sq.yards and 1272.1 sq.yards both located at Block 67, W.E.A. New Rohtak Road, Karol Bagh, New Delhi. Further out of the above loan of ₹ 2,618.57 Lakhs (31 March 2022 ₹ 2,615.87 Lakhs) is additionally secured by first equitable mortgage of Plot No. 3 block 67, WEA Rohtak Road Karol Bagh, New Delhi and owned by DCM limited with first charge on entire sale proceeds/ receivables accruing from sold and unsold area at the said-mentioned land present and future)

i)(a) Term Loan amounting to ₹ 1,364.55 Lakhs (31 March 2022: ₹ 5,918.11 Lakhs) is payable on 6 June 2023.

i)(b) Out of Term Loan amounting to ₹ 2,618.57 Lakhs (31 March 2022: ₹ 2,615.87 Lakhs), an amount of ₹ 2,495.72 lakhs (31 March 2022: ₹ 2,493.02 lakhs) is repayable in 6 quarterly instalments commencing from 30 June 2024 and balance mortarium interest of ₹ 122.85 lakhs (31 March 2022: ₹ 122.85 Lakhs) will be repaid along with last instalment considering the Mortarium scheme of RBI.

i)(c) The above-mentioned term loans carry an interest CFPLR (11.50% p.a.) less 200 basis points from 01 April 2021 to 31 December 2021 and interest CFPLR (11.50 % p.a.) less 250 basis points w.e.f. 01 January 2022 to 31 January 2022 and interest CFPLR (11.60% p.a.) less 250 basis points w.e.f. 01 February 2022 to 28 February 2022 and interest CFPLR (11.70% p.a.) less 250 basis points w.e.f. 01 March 2022 to 31 March 2022 (the applicable rate as at 31 March 22 is 9.20% p.a).

For the financial year ended 31 March 2023 term loans carry an interest CFPLR less 250 Basis points of the lender from 01 April 2022 to 31 August 2022 and interest CFPLR less 300 basis points w.e.f 01 September 2022 to 31 March 2023 (the applicable rate during the year ended 31 March 2023 ranges from 9.2% p.a to 11.30 % p.a), (the applicable rate as at 31 March 23 is 11.30% p.a).

(ii) Term Loan of ₹ 1,987.50 lakhs (31 March 2022: ₹ 2,650 Lakhs) from HDFC Limited by way of Guaranteed Emergency Credit Line (GECL) under ECLGS Scheme of National Credit Guarantee Trustee Company Limited (NCGTC) for general corporate purposes/ working capital/ expense to restart operations due to lockdown/ liquidity mismatch which is repayable in 48 EMIs post 12 months of moratorium and accordingly, the repayment to start from April 2022. The Loans shall be secured by second charge against the respective credit facilities as on 29th February 2020 provided by HDFC Limited to the Company except pledge of 100% shares of Juhi Developers Private Limited.

Further the loan shall be secured by First and Prime Charge in favour of the lender, on any assets acquired or created out of this facility and a second charge shall be extended as specified under the Scheme of NCGTC.

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(All amounts in ₹ Lakhs unless otherwise stated)

This term loan carry interest rate linked to HDFC construction finance prime lending rate (CFPLR 11.50% p.a.) less 200 basis points from 1 April 2021 till 31 January 2022 and interest CFPLR (11.60% p.a.) less 200 basis points w.e.f. 01 February 2022 to 28 February 2022 and interest CFPLR (11.70% p.a.) less 200 basis points w.e.f. 01 March 2022 to 31 March 2022 (the applicable rate as at 31 March 22 is 9.70% p.a).

For the financial year ended 31 March 2023 term loans carry an interest CFPLR minus 200 Basis points of the lender w.e.f. 01 April 2022 to 31 March 2023. (the applicable rate during the year ended 31 March 2023 ranges from 9.7% p.a to 12.30 % p.a), (the applicable rate as at 31 March 23 is 12.30% p.a).

	As at 31 March 2023	As at 31 March 2022
20. Lease liabilities		
Current		
Lease liability (refer note 46)	-	23.17
Total	<u>-</u>	<u>23.17</u>
21. Other non-current financial liabilities		
Security deposits	2,925.25	2,606.02
Total	<u>2,925.25</u>	<u>2,606.02</u>
22. Non-current provisions		
Provision for employee benefits		
- Gratuity (refer note 39)	81.02	60.28
- Compensated absences	48.90	42.47
Total	<u>129.92</u>	<u>102.75</u>
23. Other non-current liabilities		
Deferred income	197.66	310.21
Total	<u>197.66</u>	<u>310.21</u>
24. Trade payables		
Trade payables		
- total outstanding dues of micro enterprises and small enterprises; and (refer note 42)	27.78	29.40
- total outstanding dues of creditors other than micro enterprises and small enterprises	10,903.61	10,834.92
Total	<u>10,931.39</u>	<u>10,864.32</u>

Ageing schedule of trade payables as on 31 March 2023

As at 31 March 2023	Unbilled dues	Outstanding from the due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro, small and medium enterprises	17.54	10.24	-	-	-	27.78
Others	7,595.64	131.68	3,156.52	-	19.77	10,903.61
Disputed Dues (MSME)	-	-	-	-	-	-
Disputed Dues (Others)	-	-	-	-	-	-

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(All amounts in ₹ Lakhs unless otherwise stated)**PUREARTH****Ageing schedule of trade payables as on 31 March 2022**

As at 31 March 2022	Unbilled dues	Outstanding from the due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro, small and medium enterprises	24.83	4.57	-	-	-	29.40
Others	5,619.12	3,815.54	1,379.53	-	20.73	10,834.92
Disputed Dues (MSME)	-	-	-	-	-	-
Disputed Dues (Others)	-	-	-	-	-	-

	As at 31 March 2023	As at 31 March 2022
25. Other current financial liabilities		
- Interest accrued on borrowings	0.43	0.37
- Employee related payables	106.23	47.74
Total	<u>106.66</u>	<u>48.11</u>

26. Other current liabilities

Statutory dues payable	28.44	39.02
Contract liability- Advance from customers	14,541.84	21,024.70
Deferred income	112.55	112.55
Total	<u>14,682.83</u>	<u>21,176.27</u>

For terms and conditions of advances received from customers owing to related parties, refer note 40

27. Current provisions**Provision for employee benefits**

- Gratuity (refer note 39)	2.45	3.52
- Compensated absences	4.26	4.16
Total	<u>6.71</u>	<u>7.68</u>

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(All amounts in ₹ Lakhs unless otherwise stated)**PUREARTH**

	For the year ended 31 March 2023	For the year ended 31 March 2022
28. Revenue from operations		
Operating revenue		
Revenue from real estate operations	16,447.65	21,869.58
Other operating revenue		
Maintenance service income	737.15	289.12
Transfer charges and forfeiture income	8.58	9.14
Total	17,193.38	22,167.84
29. Other income		
Interest income		
- Deposits with banks and financial institutions	58.48	60.23
- Others	209.00	166.74
- Income tax refund	5.83	-
Other non-operating income		
Net gain on sale of property, plant and equipment	0.60	-
Amortisation of deferred income	113.07	113.34
Miscellaneous income	35.68	11.08
Total	422.66	351.39
30. Cost of revenue		
Cost incurred during the year	2,082.42	7,569.94
Decrease in real estate properties		
Opening stock	47,227.46	54,282.95
Closing stock	(36,133.00)	(47,227.46)
Net	11,094.46	7,055.49
Total	13,176.88	14,625.43
31. Employee benefits expense		
Salaries, bonus and other allowances	693.07	548.47
Contribution to provident funds (refer note 39)	26.40	23.74
Gratuity and compensated absences (refer note 39)	23.92	24.23
Staff welfare expenses	9.07	7.87
Total	752.46	604.31

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(All amounts in ₹ Lakhs unless otherwise stated)**PUREARTH**

	For the year ended 31 March 2023	For the year ended 31 March 2022
32. Finance costs		
Interest expense on amortised cost		
Term loan	918.06	1,260.82
Financial liabilities	243.32	232.57
Total	<u>1,161.38</u>	<u>1,493.39</u>
33. Depreciation and amortisation expense		
Depreciation of property, plant and equipments (refer note 5)	41.10	9.86
Amortisation of computer software (refer note 5A)	0.14	-
Depreciation of right to use leased assets (refer note 6)	22.80	34.12
Total	<u>64.04</u>	<u>43.98</u>
34. Other expenses		
Travelling and conveyance	128.77	77.31
Communication	7.71	8.19
Repair and maintenance - others	2.13	2.95
Legal and professional fees (refer note (i) below)	181.09	103.44
Rates and taxes	20.73	43.76
Insurance	24.62	21.81
Property management expenses	465.30	470.87
Electricity and water charges	148.19	127.15
Commission to non executive Directors	-	197.12
Director sitting fees	47.93	26.46
Loss on disposal of property, plant and equipment	-	0.34
Printing and stationery	6.22	5.39
Expenditure on corporate social responsibility (refer note 43)	47.41	49.02
Bad debts written off	0.11	0.69
Loss allowance for doubtful receivables (refer note 12)	359.81	70.89
Brokerage and marketing	159.29	259.13
Compensation to customers	160.23	36.48
Miscellaneous expenses	37.58	19.50
Total	<u>1,797.12</u>	<u>1,520.50</u>
(i) Includes auditors remuneration (excluding taxes)		
For audit	18.50	19.00
For limited review	9.00	7.50
For reimbursement of expenses	2.12	1.77
Total	<u>29.62</u>	<u>28.27</u>

35. Tax expense

(a) Amounts recognised in profit and loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax		
Current tax expense	-	-
Deferred tax (credit)/charge	(45.96)	1,102.21
Tax expense for the year	<u>(45.96)</u>	<u>1,102.21</u>

(b) Income tax recognised in other comprehensive income (OCI)

Particulars	For the year ended 31 March 2023		
	Before tax	Tax benefit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligation	(9.08)	2.29	(6.79)
	<u>(9.08)</u>	<u>2.29</u>	<u>(6.79)</u>

Particulars	For the year ended 31 March 2022		
	Before tax	Tax expense	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligation	5.22	(1.31)	3.91
	<u>5.22</u>	<u>(1.31)</u>	<u>3.91</u>

(c) Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	664.16	4,231.62
Tax using the Company's domestic tax rate	25.168%	25.168%
Computed tax expense	167.16	1,065.01
Tax effect of:		
Non-deductible expenses	11.93	12.34
Recognised in OCI during the year	(2.29)	1.31
Temporary timing differences on which deferred tax not created	-	60.01
Deferred tax created on unutilised tax losses	(238.30)	-
Others	15.54	(36.46)
Effective tax rate	(45.96)	1,102.21

Details of unused tax losses for which no deferred tax is recognised in balance sheet:

Particulars	For the year ended 31 March 2023		
	Base amount	Deferred tax	Expiry date (Assessment year)
Tax Losses			
Tax losses	-	-	
Total	-	-	

Particulars	For the year ended 31 March 2022		
	Base amount	Deferred tax	Expiry date (Assessment year)
Tax Losses			
Assessment year 2021-22	946.82	238.30	31 March 2030
Total	946.82	238.30	

(d) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Particulars	Deferred tax assets		Deferred tax liabilities		Deferred tax assets (net)	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Property, plant and equipment	18.88	15.84	-	-	18.88
Right of use assets and lease liability	-	0.09	-	-	-	0.09
Provision for employee benefits	34.39	26.65	-	-	34.39	26.65
Amount to be claimed in future years as per Income-tax Act, 1961	676.62	676.62	-	-	676.62	676.62
Carried forward of losses and unabsorbed depreciation	2,649.97	2,571.16	-	-	2,649.97	2,571.16
Allowance for doubtful receivables and provision for expenses	54.79	96.04	-	-	54.79	96.04
Net deferred tax assets	3,434.65	3,386.40	-	-	3,434.65	3,386.40

(e) Movement in temporary differences:

Particulars	Balance as at 31 March 2022	Recognised in profit or loss during 2022-23	Recognised in OCI during 2022-23	Balance as at 31 March 2023
Property, plant and equipment	15.84	(3.04)	-	18.88
Right of use assets and lease liability	0.09	0.09	-	-
Provision for employee benefits	26.65	(5.45)	2.29	34.39
Amount to be claimed in future years as per Income-tax Act, 1961	676.62	-	-	676.62
Carried forward of loss and unabsorbed depreciation	2,571.16	(78.81)	-	2,649.97
Allowance for doubtful receivables and provision for expenses	96.04	41.25	-	54.79
	3,386.40	(45.96)	2.29	3,434.65

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Movement in temporary differences:

Particulars	Balance as at 1 April 2021	Recognised in profit or loss during 2021-22	Recognised in OCI during 2021-22	Balance as at 31 March 2022
Property, plant and equipment	10.00	(5.84)	-	15.84
Right of use assets and lease liability	0.27	0.18	-	0.09
Provision for employee benefits	27.06	(0.90)	(1.31)	26.65
Amount to be claimed in future years as per Income-tax Act, 1961	676.62	-	-	676.62
Carried forward of losses and unabsorbed depreciation	3,763.61	1,192.45	-	2,571.16
Allowance for doubtful receivables and provision for expenses	12.36	(83.68)	-	96.04
	4,489.92	1,102.21	(1.31)	3,386.40

36. Contingent liabilities

- a) Claims against the company not acknowledged as debts:

Due to delays in real estate project activities, certain customers had lodged claims against the Company for compensation aggregating to ₹ 587.86 Lakhs (31 March 2022: ₹ 460.37 Lakhs) in lieu of non-materialization of agreement to sell for transfer of right in property entered with them. Based on the favorable decision in similar cases received by the Company/discussions with the solicitors etc., the Company believes that it has good cases in respect of items mentioned above and hence no provision against these cases is considered necessary.

- b) The Company had given the Corporate Guarantee to TATA Power for its interim permanent Load of 1.5MVA for its immediate operation requirement at Plot No. 20 manohar Lal Khurana Marg , Bara Hindu Rao, Delhi to the extent of ₹ 100 lacs towards prorated cost of 33/11 KV Grid station and now updated the validity till 31st December 2023.

37. Earnings per equity share (EPS)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Net profit attributable to equity shareholders as per Statement of Profit and Loss (₹ Lakhs)	710.12	3,129.41
Weighted average number of equity shares in calculating Basic EPS	10,78,00,000	10,78,00,000
Weighted average number of equity shares in calculating Diluted EPS	10,78,00,000	10,78,00,000
Basic earning per share in rupees (face value per equity share ₹ 10 each)	0.66	2.90
Diluted earning per share in rupees (face value per equity share ₹ 10 each)	0.66	2.90

38. Operating segments

A. Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. The Company's Board of Directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decisions with respect to the preparation and execution of business plan, preparation of budget and planning. All operating segments' operating results are reviewed regularly by the Company's Board of Directors to assess the performance of resources and make decisions.

The Company is primarily engaged in the business of "Real Estate Development", which as per Indian Accounting Standard – 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company is operating in India which is considered as a single geographical segment.

B. Entity wide disclosures

- a) **Information about products and services:** The Company primarily deals in one business namely “Real Estate Development”, therefore product-wise revenue disclosure is not applicable.
- b) **Information about geographical areas:** The Company provides services to customers which are domiciled in India. All the assets of the Company are located in India and hence there are no separate geographical areas.

C. Major customer

The Company is primarily engaged in the business of “Real Estate Development” and sale real estate properties to retail customers. Further, there are no customers who are required to be disclosed under major customer category.

39. Employee benefits**A Defined contribution plans**

Contributions to defined contribution plans recognised as an expense and has been shown under Employee benefits expense in the Statement of Profit and Loss for the year are as under:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Company’s contribution to provident fund	26.40	23.74

B Description of Risk Exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

- i) **Salary Increases-** Actual salary increases will increase the Plan’s liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- ii) **Discount Rate:** Reduction in discount rate in subsequent valuations can increase the plan’s liability.
- iii) **Mortality & disability –** Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- iv) **Withdrawals –** Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan’s liability.

C Defined benefit plans

The Group operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Group on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972.

The following table sets out the status of the Gratuity as required under Ind-AS 19 - Employee Benefits:

Particulars	31 March 2023	31 March 2022
Defined benefit liability- Gratuity	83.47	63.80
Total employee benefit liabilities		
Non-current	81.02	60.28
Current	2.45	3.52
Total	83.47	63.80

(i) Reconciliation of the defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the defined benefit liability and its components

Particulars	31 March 2023	31 March 2022
Balance at the beginning of the year	63.80	61.68
Current service cost	9.13	9.23
Interest cost	4.28	3.82
Actuarial loss/(gain) recognised in other comprehensive income		
changes in financial assumptions	8.29	(1.75)
experience adjustments	0.79	(3.47)
Benefits paid	(2.82)	(5.71)
Balance at the end of the year	83.47	63.80

ii) Expense recognised in profit or loss

Particulars	31 March 2023	31 March 2022
Current service cost	9.13	9.23
Interest cost	4.28	3.82
Total	13.41	13.05

iii) Remeasurements recognised in other comprehensive income

Particulars	31 March 2023	31 March 2022
Actuarial loss/(gain) on defined benefit obligation	9.08	(5.22)
Total	9.08	(5.22)

iv) Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	31 March 2023	31 March 2022
Financial assumptions		
Discount rate	7.40%	6.90%
Future salary growth	8.00%	6.00%
Average remaining working lives of employees (years)	17.40	17.25
Demographic assumptions		
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal rate		
Up to 25 years	3.00%	3.00%
26 to 45 years	2.00%	2.00%
Above 45 years	1.00%	1.00%
Retirement age	58 years	58 years

As at 31 March 2023, the average outstanding terms of the obligations as at valuation date is 7.74 years (31 March 2022: 7.85 years)

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

v) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	31 March 2023		31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50%)	(3.10)	3.30	(2.37)	2.52
Future salary growth (0.50%)	2.52	(2.89)	2.25	(2.40)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

vi) Maturity profile

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

Year	31 March 2023	Year	31 March 2022
April 2023 – March 2024	2.45	April 2022 – March 2023	3.52
April 2024 – March 2025	3.19	April 2023 – March 2024	2.02
April 2025 – March 2026	31.25	April 2024 – March 2025	2.69
April 2026 – March 2027	1.08	April 2025 – March 2026	26.07
April 2027 – March 2028	1.15	April 2026 – March 2027	0.85
April 2028 onwards	39.24	April 2027 onwards	30.10

vii) Other long-term benefits

An amount of ₹ 10.51 lakhs (31 March 2022: ₹ 11.18 lakhs) pertaining to compensated absences is recognised as an expense and included in “Employee Benefits”.

40. Related party disclosures:

In accordance with the requirements of Ind AS 24 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are:

A. Name and description of relationship of the related party**a) Holding company**

Tiara Investment Holdings Limited, Mauritius

b) Subsidiaries

Kalptru Realty Private Limited

Kamayani Facility Management Private Limited

Vighanharta Estates Private Limited

c) Entities exercising significant influence (where transaction have taken place during the year)

DCM Limited, India - Investing Company

d) **Key Management Personnel (KMPs):**

Name of Key Management Personnel	Designation
Mr. Sumant Bharat Ram	Whole-time Director
Mrs. Chitra Gouri Lal	Director
Mr. Ajay Khanna	Chief Financial Officer
Mr. Sachin Kumar Gupta	Company Secretary
Mr. Karan Singh Thakral	Director
Mr. Yash Gupta	Independent Director
Mr. Sat Pal Khattar	Director
Mr. Kartar Singh Thakral	Director
Mr. Satveer Singh Thakral	Alternate Director to Mr. Kartar Singh Thakral
Mr. Yuv Bharat Ram	Director
Mr. Rahil Bharat Ram	Director
Mr. Navin Khattar	Director

e) **Other enterprises under the control of Key Management Personnel and their relatives with whom there were transactions during the year.****Name of Entity**

Aggresar Leasing & Finance Private Limited
Shreshtha Real Estates Private Limited
DCM Nouvelle Limited
Khattar Estates Private Limited
Atlantic Commercial Company Limited

B. **The following transactions were carried out with related parties in the ordinary course of business:**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Expense reimbursement from		
DCM Limited	3.38	3.08
Aggresar Leasing & Finance Private Limited	0.43	0.39
Property tax paid on the behalf of		
DCM Limited	0.60	0.45
Aggresar Leasing & Finance Private Limited	0.19	0.14
Shreshtha Real Estates Private Limited	0.10	-
Mr. Sumant Bharat Ram	0.29	0.19
Khattar Estates Private Limited	0.07	0.05
Mr. Sat Pal Khattar	0.54	0.40
Mr. Yuv Bharat Ram	0.07	0.03
Mr. Rahil Bharat Ram	-	0.14

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Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Maintenance income		
DCM Limited	9.12	6.59
Shreshtha Real Estates Private Limited	0.42	0.03
Mr. Sumant Bharat Ram	2.48	0.41
Khattar Estates Private Limited	0.87	0.14
Mr. Sat Pal Khattar	6.05	1.01
Mr. Yuv Bharat Ram	0.98	1.86
Mr. Rahil Bharat Ram	0.31	3.22
Aggresar Leasing & Finance Private Limited	2.71	2.95
Atlantic Commercial Company Limited	0.81	-
Income of transfer charges from		
Mr. Sumant Bharat Ram	0.08	0.14
Mr. Yuv Bharat Ram	-	0.23
Aggresar Leasing & Finance Private Limited	0.15	0.16
Mr. Rahil Bharat Ram	-	0.37
DCM Limited	0.38	2.22
Kalptru Realty Private Limited	-	0.26
Shreshtha Real Estates Private Limited	0.14	-
Fitout repair and renovation income		
Aggresar Leasing and Finance Private Limited	2.17	0.34
Mr. Yuv Bharat Ram	-	1.69
Mr. Rahil Bharat Ram	-	3.17
Interest income		
DCM Limited	207.45	164.96
Brokerage expense		
Kalptru Realty Private Limited	6.38	-
Acquisition of residential units of Company by		
DCM Limited	185.85	289.81
Amount received / (adjusted or refunded) during the year from sale of constructed properties		
Mr. Sumant Bharat Ram	18.41	17.32
Mr. Rahil Bharat Ram	14.75	41.72
Mr. Yuv Bharat Ram	17.50	63.26

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Mr. Ajay Khanna	-	(68.73)
Kalptru Realty Private Limited	407.69	(20.11)
DCM Limited	-	(1,029.07)
Khattar Estates Private Limited	(30.61)	30.37
Aggresar Leasing & Finance Private Limited	57.98	(25.23)
DCM Nouvelle Limited	-	(134.65)
Atlantic Commercial Company Limited	5.12	(12.08)
Shreshtha Real Estates Private Limited	9.45	-
Mr. Sat Pal Khattar	2.80	-
Amount received against receivables		
Mr. Sumant Bharat Ram	19.28	1.80
DCM Limited	23.20	9.01
Aggresar Leasing & Finance Private Limited	21.42	(5.66)
Khattar Estates Private Limited	1.09	(7.42)
Atlantic Commercial Company Limited	82.35	(0.19)
Shreshtha Real Estates Private Limited	1.23	(0.15)
Mr. Rahil Bharat Ram	0.36	8.12
Mr. Sat Pal Khattar	7.67	(94.26)
Mr. Yuv Bharat Ram	1.24	4.46
Advances given		
Kalptru Realty Private Limited	342.45	61.83
Security deposits received		
Mr. Sumant Bharat Ram	1.91	-
Mr. Sat Pal Khattar	-	5.04
DCM Limited	-	5.41
Shreshtha Real Estates Private Limited	-	0.16
Aggresar Leasing & Finance Private Limited.	1.05	-
Khattar Estates Private Limited	-	0.72
Mr. Yuv Bharat Ram	-	0.15
Mr. Rahil Bharat Ram	-	0.02

Transactions with key management personnel

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Remuneration*		
Mr. Sumant Bharat Ram	275.15	200.58
Mr. Ajay Khanna	33.88	33.83
Mr. Sachin Kumar Gupta	13.31	11.77
Commission		
Mr. Sat Pal Khattar	-	98.56
Mr. Karan Singh Thakral	-	98.56
Post-employment defined benefit plan**		
Gratuity		
Mr. Sumant Bharat Ram	3.83	4.33
Mr. Sachin Kumar Gupta	0.38	0.25
Other long term defined benefit plan**		
Compensated absences		
Mr. Sumant Bharat Ram	(3.07)	5.07
Mr. Sachin Kumar Gupta	0.71	0.17
Director sitting fees***		
Mr. Yash Gupta	7.89	6.62
Mr. Satveer Singh Thakral	3.38	2.76
Mr. Sat Pal Khattar	7.33	0.55
Mr. Karan Singh Thakral	11.84	1.10
Mrs. Chitra Gouri Lal	5.64	4.96
Mr. Yuv Bharat Ram	5.64	4.96
Mr. Rahil Bharat Ram	3.38	2.76
Mr. Navin Khattar	2.82	2.76
Total compensation of key management personnel	372.11	479.59

* Remuneration include salary and other employee benefits (including provident fund, lease rent and other expenses).

** Provision for gratuity and compensated absences are determined on the basis of actuarial valuation for the Company.

*** Including Goods and Service Tax, as applicable.

Balances with related parties

Particulars	As at 31 March 2023	As at 31 March 2022
Advances given		
Kalptru Realty Private Limited*	128.37	193.61
Investment in equity shares		
Kalptru Realty Private Limited	5.00	5.00
Kamayani Facility Management Private Limited	5.00	5.00
Vighanharta Estates Private Limited	10.00	10.00
Receivables from DCM limited		
-Receivables Principal	1,952.24	1,766.39
- Interest Accrued but not due on above	335.94	149.23
Trade receivables		
Mr. Sumant Bharat Ram	-	13.66
Aggresar Leasing & Finance Private Limited	-	6.53
Khattar Estates Private Limited	-	0.17

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Particulars	As at 31 March 2023	As at 31 March 2022
Contract liability (Other current liability)		
Mr. Sumant Bharat Ram	18.41	65.95
Mr. Rahil Bharat Ram	16.00	60.38
Mr. Yuv Bharat Ram	20.82	70.87
DCM Limited	-	220.42
Khattar Estates Private Limited	6.46	37.07
Atlantic Commercial Company Limited	6.35	9.05
Aggresar Leasing & Finance Private Limited	49.15	7.57
Shreshtha Real Estates Private Limited	9.45	-
Mr. Sat Pal Khattar	2.80	-
Trade payables/ Amount payables to		
Mr. Sumant Bharat Ram	12.19	6.98
Mr. Sachin Kumar Gupta	1.25	0.89
Mr. Ajay Khanna	3.61	3.83
Security deposit		
DCM Limited	5.41	5.41
Aggresar Leasing & Finance Private Limited	1.05	-
Shreshtha Real Estates Private Limited	0.16	0.16
Mr. Sumant Bharat Ram	1.91	-
Mr. Sat Pal Khattar	5.04	5.04
Kalptru Realty Private Limited	0.31	0.31
Khattar Estates Private Limited	0.72	0.72
Mr. Yuv Bharat Ram	0.52	0.52
Mr. Rahil Bharat Ram	0.02	0.02
Post-employment defined benefit plan		
Gratuity		
Mr. Sumant Bharat Ram	13.02	9.19
Mr. Sachin Kumar Gupta	2.14	1.77
Other long term defined benefit plan		
Compensated absences		
Mr. Sumant Bharat Ram	8.13	11.20
Mr. Sachin Kumar Gupta	2.23	1.67

* after set off customers advances of ₹ 977.47 lakhs (31 March 2022: ₹ 569.70 lakhs) for units held by it in the Company.

C. Terms and conditions of transactions with the related parties

- I Transactions with the related parties are made on normal commercial terms and conditions and at market rates.
- II The Company has advanced ₹ 128.37 Lakhs (31 March 2022: ₹ 193.61 Lakhs) to one of its wholly owned subsidiary for acquiring certain real estate projects/units. The subsidiary has acquired from the market certain units in Central Square and Park Square project. The Company has not recognized any revenue in these financial statements in respect of the units sold by the Company and are acquired by the subsidiary later on. Amount represents net advance appearing as at year end after adjusting advance from customers received for units booked by Kalptru Realty Private Limited.

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41. a) The Company has project “Central Square” for which construction work on different Plazas, i.e. on Plaza 1, 2 and 3, has commenced in earlier years. Completion certificates of Plazas 1,2 and 3 of Central Square have been received from the appropriate authority in the earlier years and are now operational. The Company has been recognising the revenue for the plazas 1,2 and 3. The Company had started development activities in Plaza 4 in earlier years but no revenue is being recognized as per the related accounting policy.
- b) The Company has another project “Amaryllis” (also known as “Park Square”) at Kishanganj, Delhi for which entered into a Joint Development Agreement (JDA) including addendums thereto, with M/s Basant Projects Limited (Unity) for joint development of the project, during the earlier years. As per the JDA, the Company has appointed Unity as the construction contractor for development/construction of the specified area on behalf of the Company, for a specified consideration. The Company has received Occupation Certificate for phase I of park square during the previous year and started recognising revenue as per the related accounting policy.
42. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006:

Particulars	As at 31 March 2023	As at 31 March 2022
(a) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the period		
- Principal	27.78	29.40
- Interest	-	-
(b) The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006	-	-
(c) The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting period.	-	-
(d) 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 period) but without adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006.	-	-
(e) The amount of interest accrued and remaining unpaid at the end of each accounting period.	-	-
(f) The amount of further interest remaining due and payable even in the succeeding periods, 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 the Micro Small and Medium Enterprises Development Act, 2006.	-	-

43. Corporate Social Responsibility (CSR)

During the year ended 31 March 2015, as per section 135 of the Companies Act, 2013, a CSR committee was formed by the Company. The Company’s CSR activities are instrumental in providing education to children. The funds were utilized as financial contribution towards Senior Secondary Schools being run by the DCM Educational Society at Kishanganj, Delhi viz., DCM Boys’ Senior Secondary School and DCM Girls’ Senior Secondary School. During the current year, the Company was required to spend an amount of ₹ 7.11 Lakhs (31 March 2022: ₹ Nil) on CSR activities, against which the Company has actually incurred a sum of ₹ 47.41 Lakhs (31 March 2022: ₹ 49.02 Lakhs) out of which ₹ Nil (31 March 2022: ₹ Nil) remains payable at the end of the year.

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Amount required to be spent by the company during the year	7.11	-
(ii) Amount of expenditure incurred	47.41	49.02
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	NA	NA
(vi) Nature of CSR activities	Financial contribution to School for providing education	
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA	NA

44. Disclosures on revenue pursuant to Ind AS 115 - Revenue from contracts with customers

A Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from contracts with customers		
Revenue from operations	16,447.65	21,869.58
Other operating revenue (Maintenance service income, transfer charges and forfeiture income)	745.73	298.26
Total revenue covered under Ind AS 115	17,193.38	22,167.84

B Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Receivables		
Trade receivables	1,417.25	1,422.27
Less: Loss allowance	(482.25)	(122.44)
Net receivables	935.00	1,299.83
Contract liabilities		
Advance from customers	14,541.84	21,024.70
Total contract liabilities	14,541.84	21,024.70

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liabilities are recognised as and when the performance obligation is satisfied.

C Significant changes in the contract liabilities (advances from customers) during the year are as follows:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance	21,024.70	31,636.92
Addition during the year	9,964.79	11,257.36
Performance obligation satisfied in current year	(16,447.65)	(21,869.58)
Closing balance	14,541.84	21,024.70

45. Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows.

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Non-Current borrowings	Current borrowings	Interest accrued	Total
Net debt as at 1 April 2021	12,004.26	2,880.71	-	14,884.97
Proceeds from non-current borrowings	89.00	-	-	89.00
Repayment of current/non-current borrowings	(833.50)	(2,880.71)	-	(3,714.21)
Non-cash movement arising on account of amortisation of upfront fees and others	-	13.22	-	13.22
Transfer to short term borrowing (current maturity)	(4,838.79)	4,838.79	-	-
Interest expense	-	-	1,260.82	1,260.82
Interest paid	-	-	(1,260.45)	(1,260.45)
Net debt as at 31 March 2022	6,420.97	4,852.01	0.37	11,273.35

ANNUAL REPORT 2022 - 23Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in ₹ Lakhs unless otherwise stated)**PUREARTH**

Particulars	Non-Current borrowings	Current borrowings	Interest accrued	Total
Net debt as at 1 April 2022	6,420.97	4,852.01	0.37	11,273.35
Repayment of current/non-current borrowings	(382.64)	(4,852.01)	-	(5,234.65)
Non-cash movement arising on account of amortisation of upfront fees and others	-	5.75	(5.75)	-
Transfer to short term borrowing (current maturity)	(2,034.89)	2,034.89	-	-
Interest expense	-	-	918.06	918.06
Interest paid	-	-	(912.25)	(912.25)
Net debt as at 31 March 2023	4,003.44	2,040.64	0.43	6,044.51

46. Information on lease transactions pursuant to Ind AS 116 - Leases**Assets taken on lease**

The Company has taken leases for director residence in previous years and reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment. The Company is prohibited from selling or pledging the underlying leased assets as security and further under obligation to keep the properties in a good state of repair and return the properties in their original condition at the end of the lease.

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	31 March 2023	31 March 2022
Short-term leases	-	-

B Total cash outflow for leases for the year ended 31 March 2023 was ₹ 24.00 lakhs (31 March 2022 : ₹ 36.00 Lakhs).

C Total expense recognised during the year

Particulars	31 March 2023	31 March 2022
Interest on lease liabilities	0.83	3.11
Depreciation on right of use asset	22.80	34.12

D Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

	Minimum lease payments due as on 31 March 2023						Total
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	
Lease payments	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-
Net present values	-	-	-	-	-	-	-

	Minimum lease payments due as on 31 March 2022						Total
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	
Lease payments	24.00	-	-	-	-	-	24.00
Interest expense	(0.83)	-	-	-	-	-	(0.83)
Net present values	23.17	-	-	-	-	-	23.17

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in ₹ Lakhs unless otherwise stated)

PUREARTH

E Information about extension and termination options

As at 31 March 2023

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Residential premises	-	-	-	-	-	-

As at 31 March 2022

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Residential premises	1	0.67 years or 8 months	0.67 years or 8 months	-	-	1

F Bifurcation of lease liabilities at the end of the year in current and non-current

Particulars	31 March 2023	31 March 2022
a) Current liability (amount due within one year)	-	23.17
b) Non-current liability (amount due over one year)	-	-
Total lease liabilities at the end of the year	-	23.17

47. Fair value measurement and financial instruments

a. Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

For amortised cost instruments, carrying value represents the best estimate of fair value

(i) As at 31 March 2023

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets								
Non-current								
Other financial assets	8	-	-	2,315.68	2,315.68	-	-	2,315.68
Current								
Trade receivables	12	-	-	935.00	935.00	-	-	935.00
Cash and cash equivalents	13	-	-	860.77	860.77	-	-	860.77
Bank balances other than cash and cash equivalents	14	-	-	941.06	941.06	-	-	941.06
Other financial assets	15	-	-	258.97	258.97	-	-	258.97
Total		-	-	5,311.48	5,311.48	-	-	5,311.48

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 Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
 (All amounts in ₹ Lakhs unless otherwise stated)

PUREARTH

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial liabilities								
Non-current								
Borrowings(Including current maturities of non current borrowing)#	19	-	-	6,044.08	6,044.08	-	-	6,044.08
Other financial liabilities	21	-	-	2,925.25	2,925.25	-	-	2,925.25
Current								
Trade payables	24	-	-	10,931.39	10,931.39	-	-	10,931.39
Other financial liabilities	25	-	-	106.66	106.66	-	-	106.66
Total		-	-	20,007.38	20,007.38	-	-	20,007.38

(ii) As at 31 March 2022

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets								
Non-current								
Other financial assets	8	-	-	1,941.73	1,941.73	-	-	1,941.73
Current								
Trade receivables	12	-	-	1,299.83	1,299.83	-	-	1,299.83
Cash and cash equivalents	13	-	-	190.94	190.94	-	-	190.94
Bank balances other than cash and cash equivalents	14	-	-	1,074.36	1,074.36	-	-	1,074.36
Other financial assets	15	-	-	216.14	216.14	-	-	216.14
Total		-	-	4,723.00	4,723.00	-	-	4,723.00
Financial liabilities								
Non-current								
Borrowings(Including current maturities of non current borrowing)#	19	-	-	11,272.98	11,272.98	-	-	11,272.98
Other financial liabilities	21	-	-	2,606.02	2,606.02	-	-	2,606.02
Current								
Trade payables	24	-	-	10,864.32	10,864.32	-	-	10,864.32
Lease liabilities	20	-	-	23.17	23.17	-	-	23.17
Other financial liabilities	25	-	-	48.11	48.11	-	-	48.11
Total		-	-	24,814.60	24,814.60	-	-	24,814.60

#The Company's borrowings have been contracted at floating rates of interest. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.

b. Financial risk management (continued)**(i) Credit risk**

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management***Credit risk rating***

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss
A: Low credit risk	Cash and cash equivalents, other bank balances and other financial assets	12 month expected credit loss/Life time expected credit loss
C: High credit risk	Trade receivables	12 month expected credit loss/Life time expected credit loss/fully provided for

Assets under credit risk –

Credit rating	Particulars	31 March 2023	31 March 2022
A: Low credit risk	Cash and cash equivalents, other bank balances and other financial assets	4,376.48	3,423.17
C: High credit risk	Trade receivables	935.00	1,299.83

b) Credit risk exposure

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables	935.00	1,299.83
Cash and cash equivalents	860.77	190.94
Balances other than cash and cash equivalents	941.06	1,074.36
Other financial assets - current	258.97	216.14
Other financial assets - non-current	2,315.68	1,941.73

Trade receivable

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Trade receivables are unsecured and are derived from revenue earned from customers primarily located in India. The Company monitors the economic environment in which it operates. The credit risk with regards to trade receivable and unbilled receivable (i.e Income accrued) is almost negligible in case of its property sale business as the same is due to the fact that in case of its property sale business it does not handover possession till entire outstanding is received.

During the year, the Company has recognised impairment provision against trade receivables of ₹ 359.81 lakhs (31 March 2022: ₹ 70.89 lakhs).

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies.

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade receivable and other financial assets. The management uses a simplified approach (i.e. based on lifetime ECL) for the purpose of impairment loss allowance. The Company estimates amounts based on the business environment in which the Company operates, and management considers that the trade receivables are in default (credit impaired) when the counterparty fails to make payments for receivable more than 3 years past due. However the Company based upon historical experience, determine an impairment allowance for loss on receivables.

b. Financial risk management (continued)

(ii) Liquidity risk

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

The Company believes that its liquidity position, including total cash and cash equivalent and bank balances other than cash and cash equivalent of ₹ 1,801.83 Lakhs as at 31 March 2023 (31 March 2022: ₹ 1,265.30 Lakhs), anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Company believes it has access to value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Company will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary.

The Company's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.

I. Financing arrangements

The Company doesn't have access to any undrawn borrowing facilities at the end of the reporting period.

II. Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted:

As at 31 March 2023	Contractual cash flows			
	Less than one year	Between one year and five years	More than 5 years	Total
Non-current liabilities				
Borrowings(Including interest accrued)	2,572.37	4,444.75	-	7,017.12
Other financial liabilities	-	2,925.25	-	2,925.25
Current liabilities				
Trade payables	10,931.39	-	-	10,931.39
Lease liabilities	-	-	-	-
Other financial liabilities	106.23	-	-	106.23
Total	13,609.99	7,370.00	-	20,979.99

As at 31 March 2022	Contractual cash flows			
	Less than one year	Between one year and five years	More than 5 years	Total
Non-current Liabilities				
Borrowings(Including interest accrued)	5,730.61	7,223.13	-	12,953.74
Other financial liabilities	-	2,606.02	-	2,606.02
Current liabilities				
Trade payables	10,864.32	-	-	10,864.32
Lease liabilities	24.00	-	-	24.00
Other financial liabilities	47.74	-	-	47.74
Total	16,666.67	9,829.15	-	26,495.82

b. Financial risk management (continued)

(iii) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is not exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. There is no exposure which arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

Exposure to interest rate risk

The Company's interest rate risk arises majorly from the term loans from financial institutions carrying floating rate of interest. These obligations exposes the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Term loan from banks- Fixed rate borrowings	73.46	89.00
Term loan from others- Variable rate borrowings	5,970.62	11,183.98
Total	6,044.08	11,272.98

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points (bps) in interest rates at the reporting date would have increased/ (decreased) the loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or (loss)	
	100 bps increase	100 bps decrease
Interest on term loans		
For the year ended 31 March 2023	59.71	(59.71)
For the year ended 31 March 2022	111.84	(111.84)

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ Lakhs unless otherwise stated)

PUREARTH
48. Financial ratios

Analytical ratios/ financials ratio	Measurement Unit	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	% changes	Explanation for change in ratio by more than 25 % as compared in ratio of preceeding year
(a) Current ratio	Times	Current Assets	Current Liabilities	1.42	1.37	4%	Refer Note 1 below
(b) Debt-equity ratio	Times	Total debt	Shareholders equity	0.57	1.14	-50%	Variance is on account of followings- 1) Decrease in borrowings due to repayment made during the year. 2) Increase in shareholder equity on account of profit made during the period .
(c) Debt service coverage ratio	Times	Profit after tax + depreciation + finance costs	{Finance costs + Principal repayment for Non-current borrowings (including current maturities of non-current borrowings)}	0.31	1.16	-73%	Variance is on account of followings- Decrease in profit after tax inclusive of depreciation and finance cost which is majorly attributable to decrease in revenue in current period in comparison to previous period.
(d) Return on equity ratio	Percentage	Profit after tax	Average of shareholders equity	0.02	0.09	-82%	Variance is on account of followings- Decrease in profit after tax which is majorly attributable to decrease in revenue in current period in comparison to previous period.
(e) Inventory turnover ratio	Times	Cost of Revenues	Average inventories	0.08	0.07	10%	Refer Note 1 below
(f) Trade receivables turnover ratio	Times	Net Credit Sales	Average trade receivables	3.85	3.25	18%	Refer Note 1 below
(g) Trade payables turnover ratio	Times	Cost of Revenue + other expenses	Average trade payables	0.24	0.84	-71%	Variance is on account of followings- Decrease in cost of revenue in current period in comparison to previous period.
(h) Net capital turnover ratio	Times	Revenue from operations	Working capital	1.46	1.63	-11%	Refer Note 1 below
(i) Net profit ratio	Percentage	Profit after tax	Revenue from operations	4.13%	14.12%	-71%	Variance is on account of followings- Decrease in profit after tax which is majorly attributable to decrease in revenue in current period in comparison to previous period.
(j) Return on capital employed	Percentage	Earning before interest and taxes	Capital employed= Tangible net worth + Total borrowings	10.97%	27.04%	-59%	Variance is on account of followings- Decrease in profit which is majorly attributable to decrease in revenue in current period in comparison to previous period.
(k) Return on investment	Percentage	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

NOTE

1 Since the change in ratio is less than 25% no explanation is required to be furnished.

49. Other Statutory Information:

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property,
- (ii) The Company does not have any transactions with companies struck off,
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (iv) The Company has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India,
- (v) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year,
- (vi) There is no scheme of arrangement that has been approved by the competent authority in terms of section 230 to 237 of the Companies Act 2013,
- (vii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) 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,
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries,
- (viii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) 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 ,
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (ix) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

50. The Supreme Court on 28 February 2019 has provided its judgment regarding inclusion of other allowances such as travel allowances, special allowances, etc within the expression 'basic wages' for the purpose of computation of contribution of provident fund under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 ('EPF Act'). There are interpretive challenges on the application of the Supreme Court Judgment including the period from which judgment would apply, consequential implications on resigned employees etc. Further, various stakeholders have also filed representations/ review petition with PF authorities and the Supreme Court respectively. All these factors raises significant uncertainty regarding the implementation of the Supreme Court Judgment.

Owing to the aforesaid uncertainty and pending clarification from regulatory authorities in this regard, the Company has recognized provision for the PF contribution on the basis of above mentioned order with effect from the order date. Further, the management believes that impact of aforementioned uncertainties before the order date on the financial statements of the Company should not be material.

51. Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the parent company. The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may return capital to shareholders, raise new debt or issue new shares.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in ₹ Lakhs unless otherwise stated)

PUREARTH

The Company monitors capital on the basis of the debt to equity ratio, which is calculated as interest-bearing debts divided by total equity.

Particulars	As at 31 March 2023	As at 31 March 2022
Borrowings(Including current maturities of non current borrowing)	6,044.08	11,272.98
Less : Cash and cash equivalents	860.77	190.94
Adjusted net debt (A)	5,183.31	11,082.04
Total equity (B)	10,603.35	9,900.02
Adjusted net debt to adjusted equity ratio (A/B)	0.49	1.12

52. Previous year's figures have been regrouped/reclassified wherever necessary to conform current year classification. The impact of such reclassification/regrouping is not material to the financial statements.

For **Walker Chandio & Co. LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Manish Agrawal

Partner

Membership No.: 507000

Place: New Delhi

Date: 8 May 2023

For and on behalf of the Board of Directors of
Purearth Infrastructure Limited

Sat Pal Khattar

Chairman

DIN: 00307293

Place: Singapore

Date: 8 May 2023

Sachin Kumar Gupta

Company Secretary

Place: New Delhi

Date: 8 May 2023

Sumant Bharat Ram

Whole Time Director

DIN: 00052833

Place: New Delhi

Date: 8 May 2023

Ajay Khanna

Chief Financial Officer

Place: New Delhi

Date: 8 May 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Purearth Infrastructure Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Purearth Infrastructure Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2023, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated 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 together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 11 of the Other Matter(s) section below, is sufficient and appropriate to provide a basis for our opinion.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Annual Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
7. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing 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 consolidated financial statements.
9. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated 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 Holding 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 Board of Directors' 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the 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.
10. 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.

Other Matter

11. We did not audit the financial statements of three subsidiaries, whose financial statements reflects total assets of ₹ 1,459.87 lakhs and net assets of ₹ 61.45 lakhs as at 31 March 2023, total revenues of ₹ 23.71 lakhs and net cash inflows amounting to ₹ 92.12 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

12. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditor(s), referred to in paragraph 11, on separate financial statements of the subsidiaries, we report that the Holding Company have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that all subsidiary companies incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies.

13. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 11 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

14. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies covered under the Act, none of the directors of the Group companies, are disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements

and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 35 to the consolidated financial statements;
- ii. The Holding Company and its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies covered under the Act, during the year ended 31 March 2023;
- iv. a. The respective managements of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in note 49(vii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies to or in any person(s) or entity(ies), including foreign entities ('the 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 Holding Company, or any such subsidiary companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The respective managements of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors

of such subsidiaries, respectively that, to the best of their knowledge and belief, as disclosed in the note 49(viii) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies 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 by us and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Holding Company and its subsidiary companies have not declared or paid any dividend during the year ended 31 March 2023.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Manish Agrawal

Partner

Place: New Delhi

Date: 08 May 2023

Membership No.: 507000

UDIN: 23507000BGYERJ5016

Independent Auditor's Report of even date to the members of Purearth Infrastructure Limited on the consolidated financial statements for the year ended 31 March 2023

Annexure 1

List of entities included in the Consolidated Financial Statements (in addition to the Holding Company)

S. No.	Name	Relation
1	Kalptru Realty Private Limited	Subsidiary
2	Kamayani Facility Management Private Limited	Subsidiary
3	Vighanharta Estates Private Limited	Subsidiary

Annexure A to the Independent Auditor's Report of even date to the members of Purearth Infrastructure Limited on the consolidated financial statements for the year ended 31 March 2023

Annexure A

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Purearth Infrastructure Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's 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 Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of

the Holding Company, and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, 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 consolidated financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements include 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 consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company, and subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements and such controls were operating effectively as

at 31 March 2023, based on internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements in so far as it relates to three subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 1,459.87 lakhs and net assets of ₹ 61.45 lakhs as at 31 March 2023, total revenues of ₹ 23.71 lakhs and net cash inflows amounting to ₹92.12 lakhs for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Manish Agrawal

Partner

Place: New Delhi

Membership No.: 507000

Date: 08 May 2023

UDIN: 23507000BGYERJ5016

ANNUAL REPORT 2022 - 23
Consolidated Balance Sheet as at 31 March 2023
(All amounts in ₹ Lakhs unless otherwise stated)

PUREARTH

Particulars	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	5	91.32	125.84
Intangible assets	5A	4.72	-
Right of use assets	6	-	22.80
Financial assets			
Other financial assets	7	2,315.68	1,941.73
Deferred tax assets (net)	34(d)	3,434.76	3,386.53
Non-current tax assets	8	113.95	143.73
Other non-current assets	9	83.12	89.10
Total non-current assets		6,043.55	5,709.73
Current assets			
Inventories	10	36,168.47	47,341.06
Financial assets			
Trade receivables	11	956.98	1,321.81
Cash and cash equivalents	12	969.90	207.95
Bank balances other than cash and cash equivalents above	13	1,165.76	1,381.36
Other financial assets	14	137.36	28.53
Other current assets	15	437.73	575.65
Total current assets		39,836.20	50,856.36
Total assets		45,879.75	56,566.09
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	10,780.00	10,780.00
Other equity	17	(217.34)	(919.59)
Total equity		10,562.66	9,860.41
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	18	4,003.44	6,420.97
Other financial liabilities	20	2,925.25	2,606.02
Provisions	21	129.92	102.75
Other non-current liabilities	22	197.66	310.21
Total non-current liabilities		7,256.27	9,439.95
Current liabilities			
Financial liabilities			
Borrowings	18	2,040.64	4,852.01
Lease liabilities	19	-	23.17
Trade payables			
total outstanding dues of micro enterprises and small enterprises; and	23	28.32	29.40
total outstanding dues of creditors other than micro enterprises and small enterprises	23	10,903.61	10,835.37
Other financial liabilities	24	398.61	341.83
Other current liabilities	25	14,682.93	21,176.27
Provisions	26	6.71	7.68
Total current liabilities		28,060.82	37,265.73
Total liabilities		35,317.09	46,705.68
Total equity and liabilities		45,879.75	56,566.09
Summary of significant accounting policies	4		

The accompanying notes are an integral part of these consolidated financial statements

This is the Consolidated Balance Sheet referred to in our report of even date.

For **Walker Chandio & Co. LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
Purearth Infrastructure Limited

Manish Agrawal

Partner

Membership No.: 507000

Place: New Delhi

Date: 8 May 2023

Sat Pal Khattar

Chairman

DIN: 00307293

Place: Singapore

Date: 8 May 2023

Sumant Bharat Ram

Whole Time Director

DIN: 00052833

Place: New Delhi

Date: 8 May 2023

Sachin Kumar Gupta

Company Secretary

Place: New Delhi

Date: 8 May 2023

Ajay Khanna

Chief Financial Officer

Place: New Delhi

Date: 8 May 2023

ANNUAL REPORT 2022 - 23
Consolidated Statement of Profit and Loss for the year ended 31 March 2023
(All amounts in ₹ Lakhs unless otherwise stated)
PUREARTH

Particulars	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Income			
Revenue from operations	27	17,193.38	22,167.58
Other income	28	439.98	368.36
Total income		17,633.36	22,535.94
Expenses			
Cost of revenue	29	13,176.88	14,625.43
Employee benefits expense	30	775.55	627.45
Finance costs	31	1,161.38	1,493.39
Depreciation and amortisation expense	32	64.04	43.98
Other expenses	33	1,792.35	1,521.54
Total expenses		16,970.20	18,311.79
Profit before tax		663.16	4,224.15
Tax expense			
Current tax	34	0.07	0.05
Deferred tax		(45.94)	1,102.23
Net profit for the year		709.03	3,121.87
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement (loss)/gain of defined benefit obligation		(9.08)	5.22
Income tax relating to items that will not be reclassified to profit or loss			
Income tax relating to remeasurement of defined benefit obligation		2.29	(1.31)
Total other comprehensive (loss)/income , net of taxes		(6.79)	3.91
Total comprehensive income for the year		702.24	3,125.78
Net profit attributable to:			
Owner of the Holding Company		709.03	3,121.87
Non-controlling interest		-	-
Other comprehensive (loss)/income attributable to:			
Owner of the Holding Company		(6.79)	3.91
Non-controlling interest		-	-
Total comprehensive income attributable to:			
Owner of the Holding Company		702.24	3,125.78
Non-controlling interest		-	-
Earnings per equity share	36		
Basic and diluted profit per equity share (amount in ₹)		0.66	2.90
Summary of significant accounting policies	4		

The accompanying notes are an integral part of these consolidated financial statements

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Walker Chandiook & Co. LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013
**For and on behalf of the Board of Directors of
Purearth Infrastructure Limited**
Manish Agrawal

Partner

Membership No.: 507000

Place: New Delhi

Date: 8 May 2023

Sat Pal Khattar

Chairman

DIN: 00307293

Place: Singapore

Date: 8 May 2023

Sumant Bharat Ram

Whole Time Director

DIN: 00052833

Place: New Delhi

Date: 8 May 2023

Sachin Kumar Gupta

Company Secretary

Place: New Delhi

Date: 8 May 2023

Ajay Khanna

Chief Financial Officer

Place: New Delhi

Date: 8 May 2023

ANNUAL REPORT 2022 - 23
Consolidated Cash flow statement for the year ended 31 March 2023
(All amounts in ₹ Lakhs unless otherwise stated)

PUREARTH

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A. Cash flow from operating activities		
Profit before taxation	663.16	4,224.15
Adjustments for :		
Net (gain)/ loss on sale of property, plant and equipment	(0.60)	0.34
Loss allowance on doubtful receivables	359.81	70.89
Bad debts written off	0.11	0.69
Forfeiture income	-	(2.02)
Interest income on deposits with banks and financial institutions	(75.68)	(75.93)
Interest income - others	(209.00)	(166.74)
Amortisation of deferred income	(113.07)	(113.34)
Depreciation and amortisation expense	64.04	43.98
Interest expense on others	243.32	232.57
Interest expense on borrowings	918.06	1,260.82
Provision for employee benefits	23.92	24.23
Operating profit before working capital changes and other adjustments	1,874.07	5,499.64
Working capital changes and other adjustments:		
Non-current financial assets	(187.24)	(289.81)
Inventories	11,172.59	6,988.96
Trade receivables	4.91	743.17
Other current financial assets	(103.23)	0.35
Other current and non-current assets	144.78	(60.28)
Trade payables	67.16	2,471.00
Current and non-current financial liabilities	132.63	28.29
Current and non-current provisions	(6.80)	(10.86)
Other current and non-current liabilities	(6,492.82)	(10,591.73)
Cash flow from operations activities post working capital changes	6,606.05	4,778.73
Taxes refund/(paid) (net)	29.71	(99.19)
Net cash flow from operating activities (A)	6,635.76	4,679.54
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(12.34)	(106.82)
Sale of property, plant and equipment	1.45	-
Interest received	92.38	84.41
Proceeds from bank deposits	2,132.88	7,940.92
Investment in bank deposits	(1,917.28)	(8,998.58)
Net cash flow from/(used) in investing activities (B)	297.09	(1,080.07)

ANNUAL REPORT 2022 - 23
Consolidated Cash flow statement for the year ended 31 March 2023 ...Cont.d
(All amounts in ₹ Lakhs unless otherwise stated)
PUREARTH

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
C. Cash flow from financing activities		
Repayment of non-current borrowings	(382.64)	(833.50)
Repayment of current borrowings	(4,852.01)	(2,880.71)
Proceeds from non-current borrowings	-	89.00
Interest paid	(912.25)	(1,260.45)
Payment of lease liabilities	(24.00)	(36.00)
Net cash used in financing activities (C)	<u>(6,170.90)</u>	<u>(4,921.66)</u>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	761.95	(1,322.19)
Cash and cash equivalents at the beginning of the year	207.95	1,530.14
Cash and cash equivalents at the end of the year	<u>969.90</u>	<u>207.95</u>
Notes to Cash flow statement		
1. Components of cash and cash equivalents (refer note 12)		
Cash on hand	4.18	4.11
Balances with scheduled banks:		
- Bank deposits with original maturity of less than three months	484.00	123.50
- Current accounts	481.72	80.34
Cash and cash equivalents at the end of the year	<u>969.90</u>	<u>207.95</u>

Note: The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes are an integral part of these consolidated financial statements

This is the Consolidated Cash Flow Statement referred to in our report of even date

For **Walker Chandiok & Co. LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
Purearth Infrastructure Limited

Manish Agrawal

Partner

Membership No.: 507000

Place: New Delhi

Date: 8 May 2023

Sat Pal Khattar

Chairman

DIN: 00307293

Place: Singapore

Date: 8 May 2023

Sumant Bharat Ram

Whole Time Director

DIN: 00052833

Place: New Delhi

Date: 8 May 2023

Sachin Kumar Gupta

Company Secretary

Place: New Delhi

Date: 8 May 2023

Ajay Khanna

Chief Financial Officer

Place: New Delhi

Date: 8 May 2023

A. Equity share capital*

Particulars	Amount
Balance as at 1 April 2021	10,780.00
Changes in equity share capital during 2021-22	-
Balance as at 31 March 2022	10,780.00
Changes in equity share capital during 2022-23	-
Balance as at 31 March 2023	10,780.00

B. Other equity**

Particulars	Reserve and surplus			Total
	Securities premium	Capital redemption reserve	Retained earnings	
Balance as at 01 April 2021	5,720.00	96.60	(9,861.98)	(4,045.38)
Profit for the year	-	-	3,121.87	3,121.87
Total other comprehensive income (net of tax)	-	-	3.91	3.91
Total comprehensive income for the year	-	-	3,125.78	3,125.78
Balance as at 31 March 2022	5,720.00	96.60	(6,736.19)	(919.59)
Profit for the year	-	-	709.03	709.03
Total other comprehensive income (net of tax)	-	-	(6.79)	(6.79)
Total comprehensive income for the year	-	-	702.24	702.24
Balance as at 31 March 2023	5,720.00	96.60	(6,033.94)	(217.34)

*Refer note 16 for details

**Refer note 17 for details

The accompanying notes are an integral part of these Consolidated financial statements

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandio & Co. LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

**For and on behalf of the Board of Directors of
Purearth Infrastructure Limited**

Manish Agrawal
Partner
Membership No.: 507000
Place: New Delhi
Date: 8 May 2023

Sat Pal Khattar
Chairman
DIN: 00307293
Place: Singapore
Date: 8 May 2023

Sumant Bharat Ram
Whole Time Director
DIN: 00052833
Place: New Delhi
Date: 8 May 2023

Sachin Kumar Gupta
Company Secretary
Place: New Delhi
Date: 8 May 2023

Ajay Khanna
Chief Financial Officer
Place: New Delhi
Date: 8 May 2023

1. Nature of principal activities

Purearth Infrastructure Limited ('the Holding Company') is a Company domiciled in India, as a Public Limited Company with a registered office at Central Square, 20 Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi, India. The Holding Company is engaged in the business of real estate development. The operations of the Holding Company span all aspects of real estate development, from the identification and acquisition of land, to planning, execution, construction and marketing of projects.

The consolidated financial statements comprise the financial statements of the Holding Company, and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") in the following notes.

2. General information and statement of compliance with Ind AS

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')), as amended and other relevant provisions of the Act. The Group has uniformly applied the accounting policies during the periods presented.

The consolidated financial statements are presented in Indian Rupees ('₹') which is also the functional currency of the Holding Company.

These consolidated financial statements for the year ended 31 March 2023 were authorized and approved for issue by the Board of Directors on 08 May 2023. The revisions to the consolidated financial statements is permitted by the Board of Directors of the Holding Company after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

3. Basis of preparation

The consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies. Fair valuations related to financial assets and financial liabilities are categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

Amount in the financial statements are presented in ₹ lakhs, unless otherwise stated. Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as 0.00 lakhs.

4. Summary of significant accounting policies

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the consolidated financial statements.

4.1 Basis of consolidation***Subsidiaries***

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group has power over the investee and is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of 31 March 2023.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains/(losses) on transactions between group companies are eliminated. The accounting principles and policies have been consistently applied by the Group.

Statement of profit and loss balance (including each component of OCI) is attributed to the equity holders of the Holding Company.

4.2 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Holding Company's normal operating cycle and other criteria set out in Companies Act 2013. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

4.3 Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. The Group applies the revenue recognition criteria to each nature of the revenue transaction as set out below:

Revenue from sale of properties and development rights

Revenue from sale of properties and development rights is recognized when the performance obligations are essentially complete and credit risks have been significantly eliminated. The performance obligations are considered to be completed when control over the property, associated risks has been transferred to the buyers and substantial sales consideration is also received from the buyers.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring property to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

For each performance obligation identified, the Group determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. A receivable is recognised by the Group when the control is transferred as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

The costs estimates are reviewed periodically and effect of any change in such estimate is recognized in the period such changes are determined. However, when the total estimated cost exceeds total expected revenues from the contracts, the loss is recognized immediately.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Facility and Maintenance business income

Revenue from facility and maintenance services is recognised on accrual basis, in accordance with the terms of respective maintenance agreement.

Rental income

Rental income is recognized on a straight-line basis over the terms of the lease.

Others

Interest due on delayed payments by customers, cancellation/forfeiture income and transfer fees/charges from customers are recognized on receipt basis due to uncertainty of recovery of the same.

4.4 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss as incurred.

4.5 Employee benefits

Defined contribution plan

The Group's contribution to provident fund is charged to the statement of profit and loss or inventorized as a part of real estate project under development, as the case may be. The Group's contributions towards provident fund are deposited with the regional provident fund commissioner under a defined contribution plan.

Defined benefit plan

The Group has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Other long-term employee benefits

The Group also provides benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

4.6 Property, plant and equipment (PPE)

Recognition and initial measurement

Property, plant and equipment are measured at their cost of acquisition, net of accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent measurement (depreciation)

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the Written Down Value ('WDV') method on the basis of rates derived as per the useful life specified in Part 'C' of Schedule II of the Act which represents useful lives of the assets, as estimated by the management taking into account the nature of the asset, the estimated usage of the asset and the operating conditions of the asset. Depreciation charged is recognised in the Statement of profit and loss.

De-recognition

An item of property, plant and equipment initially recognised is derecognised 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 recognised in statement of profit and loss when the asset is de-recognised.

4.7 Lease**Where the Group is the lessee****Right of use assets and lease liabilities**

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. The Group enters into leasing arrangements for various assets. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group obtains substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

Recognition and initial measurement- right-of-use asset

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement- right-of-use asset

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

Recognition and initial measurement- lease liability

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed) and variable payments based on an index or rate.

Subsequent measurement- lease liability

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in interim statement of profit and loss on a straight-line basis over the lease term.

Where the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis or another systematic basis as per the terms of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

4.8 Financial instruments

Financial assets

Recognition and initial measurement

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

Financial assets at amortised cost – A 'financial assets' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- 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 amortised cost using the effective interest rate (EIR) method.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Recognition and initial measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement – Amortised cost

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

Recognition, initial and subsequent measurement – fair value

A financial liability is classified as fair value through profit and loss ('FVTPL') if it is designated as such upon initial recognition. Financial liabilities at FVTPL are measured at fair value and net gain/losses, including any interest expense are recognised in statement of profit and loss.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

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

Fair value measurement

The Group measures financial instruments at fair value at each Consolidated Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

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

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

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

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 Group 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.

The management determines the policies and procedures for both recurring fair value measurement and unquoted financial assets measured at fair value and for non-recurring measurement.

4.9 Impairment of financial assets

In accordance with Ind AS 109 'Financial Instruments', the Group applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets. ECL is the weighted-average of difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Group is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition, if the financial asset is determined to have low credit risk at the balance sheet date.

4.10 Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

4.11 Inventories

Land other than that transferred to real estate properties under development is valued at lower of cost or net realizable value.

Real estate project (developed and under development) includes cost of land under development, development rights, internal and external development costs, construction costs, and development/construction materials, borrowing costs and related overhead costs and is valued at lower of cost or net realizable value.

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

4.12 Income taxes

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognised in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income 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 is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

4.13 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

4.14 Provisions, contingent liabilities and contingent assets

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed. However, when realization of income is virtually certain, related asset is recognised.

4.15 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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.

4.16 Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Significant management judgements

Recoverability of advances / receivables

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, (refer note 35). By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments by management and the use of estimates regarding the outcome of future events.

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized.

Impairment of non-financial assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Impairment of financial assets – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit losses on outstanding receivables and advances.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Classification of leases – The Group enters into leasing arrangements for premises. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee’s option to extend/terminate etc. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Significant estimates

Revenue and inventories – The estimates around total budgeted cost i.e. outcomes of underlying construction and service contracts, which further require assessments and judgements to be made on changes in work scopes, claims and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Group used the available contractual and historical information. The estimates of the saleable area are also reviewed periodically and effect of any changes in such estimates is recognised in the period such changes are determined.

The Company estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future demand or other market-driven changes that may reduce future selling prices.

Defined benefit obligation (DBO) – Management’s estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

4.17 Recent accounting pronouncements (Standards issued but not yet effective)

Amendment to Ind AS 1, Presentation of Financial Statements

The Ministry of Corporate Affairs (“MCA”) vide notification dated 31 March 2023, has issued an amendment to Ind AS 1 which requires entities to disclose material accounting policies instead of significant accounting policies. Accounting policy information considered together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The amendment also clarifies that immaterial accounting policy information does not need to disclose. If it is disclosed, it should not obscure material accounting information.

Amendment to Ind AS 8, Accounting Policies, Change in Accounting Estimates and Errors

The Ministry of Corporate Affairs (“MCA”) vide notification dated 31 March 2023, has issued an amendment to Ind AS 8 which specifies an updated definition of an ‘accounting estimate’. As per the amendment, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty and measurement techniques and inputs are used to develop an accounting estimate. Measurement techniques include estimation techniques and valuation techniques.

Amendment to Ind AS 12, Income Taxes

The Ministry of Corporate Affairs (“MCA”) vide notification dated 31 March 2023, has issued an amendment to Ind AS 12, which requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases of lessees and decommissioning obligations and will require recognition of additional deferred tax assets and liabilities.

The Group is evaluating these requirements of the above-mentioned amendments and its impact on these consolidated financial statements.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

PUREARTH

(All amounts in ₹ Lakhs unless otherwise stated)

**5. Property, plant and equipment:
Reconciliation of carrying amount**

Particulars	Computers	Office equipments	Vehicles*	Furniture and fixtures	Air conditioners	Total
Gross carrying value						
Balance as at 1 April 2021	16.34	7.58	18.57	70.69	0.22	113.40
Additions made during the year	4.59	0.26	101.78	0.19	-	106.82
Disposals / adjustments during the year	-	(1.05)	-	-	-	(1.05)
Balance as at 31 March 2022	20.93	6.79	120.35	70.88	0.22	219.17
Additions made during the year	5.09	1.04	0.16	1.19	-	7.48
Disposals / adjustments during the year	(0.63)	(0.34)	(7.77)	-	-	(8.74)
Balance as at 31 March 2023	25.39	7.49	112.74	72.07	0.22	217.91

Accumulated depreciation

Balance as at 1 April 2021	11.79	3.70	15.22	53.44	0.03	84.18
Depreciation expense for the year	3.14	0.62	1.92	4.18	-	9.86
On disposals / adjustments during the year	-	(0.71)	-	-	-	(0.71)
Balance as at 31 March 2022	14.93	3.61	17.14	57.62	0.03	93.33
Depreciation expense for the year	4.87	0.58	32.37	3.28	-	41.10
On disposals / adjustments during the year	(0.60)	(0.32)	(6.92)	-	-	(7.84)
Balance as at 31 March 2023	19.20	3.87	42.59	60.90	0.03	126.59

Net carrying value

As at 31 March 2023	6.19	3.62	70.15	11.17	0.19	91.32
As at 31 March 2022	6.00	3.18	103.21	13.26	0.19	125.84

Notes:

* Refer note 18 for details of vehicles hypothecated/pledged against borrowings.

5A. Intangible assets:
Reconciliation of carrying amount

Particulars	Software	Total
Gross carrying value		
Balance as at 1 April 2021	-	-
Addition during the year	-	-
Balance as at 31 March 2022	-	-
Addition during the year	4.86	4.86
Balance as at 31 March 2023	4.86	4.86

Accumulated depreciation

Balance as at 1 April 2021	-	-
Charge for the year	-	-
Balance as at 31 March 2022	-	-
Charge for the year	0.14	0.14
Balance as at 31 March 2023	0.14	0.14

Net block

As at 31 March 2023	4.72	4.72
As at 31 March 2022	-	-

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

PUREARTH

(All amounts in ₹ Lakhs unless otherwise stated)

6. Right of use assets (refer note 45)

Particulars	Building	Total
Gross carrying value		
Balance as at 1 April 2021	50.60	50.60
Additions during the year	51.29	51.29
Balance as at 31 March 2022	101.89	101.89
Additions during the year	-	-
Balance as at 31 March 2023	101.89	101.89

Accumulated depreciation

Balance as at 1 April 2021	44.97	44.97
Charge for the year	34.12	34.12
Balance as at 31 March 2022	79.09	79.09
Charge for the year	22.80	22.80
Balance as at 31 March 2023	101.89	101.89

Net block

As at 31 March 2023	-	-
As at 31 March 2022	22.80	22.80

	As at 31 March 2023	As at 31 March 2022
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7. Non-current other financials assets
Receivables from related party* (Refer note 39)
(Secured, considered good)

- Receivables principal	1,952.24	1,766.39
- Interest accrued but not due on above	335.94	149.23
Security deposits	27.50	26.11
Total	2,315.68	1,941.73

* The Holding Company had entered into agreements dated 27 March 2021 and 17 April 2021 with DCM Limited for acquisition by DCM limited of certain Holding Company's units in its residential project namely "Amaryllis" for an aggregate consideration (exclusive of interest accrued) of ₹ 1,952.24 Lakhs (31 March 2022 - ₹ 1,766.39 Lakhs). These units have been made fully paid by the Holding Company by allowing DCM Limited to make a deferred payment plan within a period of 3 years from the date of allotment and same has been recorded as a book debt receivable by the Holding Company in accordance with the agreement. It also carries interest which is higher of 0.25% p.a over and above effective rate of interest charged by HDFC Ltd from the Holding Company or @ 10.50% p.a. upto 30 June 2021 and thereafter carries interest 0.25% p.a. over effective rate of interest charged by HDFC Ltd from the Holding Company. A charge has been created by deposit of title deeds of Industrial land at Hissar, Haryana admeasuring 43.644 acres owned by DCM limited for securing the said book debts.

a) Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties

Type of Borrower	As at 31 March 2023		As at 31 March 2022	
	Advance in the nature of loan outstanding	Percentage to Advances in the nature of loans	Advance in the nature of loan outstanding	Percentage to Advances in the nature of loans
Related Parties (DCM Limited)	2,288.18	100%	1,915.62	100%

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

PUREARTH**(All amounts in ₹ Lakhs unless otherwise stated)**

	As at 31 March 2023	As at 31 March 2022
8. Non-current tax assets		
Advance income tax including tax deducted at source	113.95	143.73
Total	113.95	143.73
9. Other non-current assets		
<i>(Unsecured and considered good)</i>		
Balances with statutory authorities	81.41	80.91
Loans to employees	-	0.47
Prepaid expenses	1.71	7.72
Total	83.12	89.10
10. Inventories*		
<i>*(Valued at lower of cost or net realisable value)</i>		
Construction materials in stock (at cost)	55.84	59.15
Sub total	55.84	59.15
Real estate properties under development (at cost)		
Cost of properties under development (net off written off)	38,411.24	49,916.47
Less: Provision for expected loss**	(2,298.61)	(2,634.56)
Sub total	36,112.63	47,281.91
Total	36,168.47	47,341.06
** The Holding Company has recorded a provision for expected loss of ₹ 103.91 Lakhs (previous year ₹ 178.01 Lakhs) for sold units of Central Square (Plaza 4) based on updated budgeted cost and ₹ Nil (previous year ₹ 466.01 Lakhs) for units for which revenue has not been recognised in respect of Central Square (Plaza 1,2 & 3) other than already recorded. Further, the Holding Company has reversed provision for expected losses of ₹ 290.65 Lakhs (previous year ₹ 1,143.82 Lakhs) of old flat buyer units of Park Square (Phase – I) and ₹ 149.21 Lakhs (previous year ₹ Nil) of Central Square (Plaza 1,2 & 3) as actual cost and revenue have been recognised for these units in the current year.		
11. Trade receivables		
<i>(Unsecured and considered good, unless otherwise stated)</i>		
Considered good*	956.98	1,321.81
Credit impaired	482.25	122.44
	1,439.23	1,444.25
Less: Loss allowance**	(482.25)	(122.44)
	956.98	1,321.81
Total	956.98	1,321.81

*For amounts of trade receivables owing from related parties, refer note 39.

**The Group's exposure to credit and currency risks, and loss allowance related to trade receivables are disclosed in note 46.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in ₹ Lakhs unless otherwise stated)

PUREARTH
Ageing schedule of trade receivables as on 31 March 2023

As at 31 March 2023	Outstanding from the due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	149.87	108.02	2.41	-	696.68	956.98
Undisputed trade receivables – credit impaired	172.39	206.80	30.67	18.03	54.36	482.25
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-

Ageing schedule of trade receivables as on 31 March 2022

As at 31 March 2022	Outstanding from the due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	154.23	11.11	6.34	-	1,150.13	1,321.81
Undisputed trade receivables – credit impaired	60.86	7.92	13.41	17.20	23.05	122.44
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-

	As at 31 March 2023	As at 31 March 2022
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12. Cash and cash equivalents

Balances with banks		
- In current accounts	481.72	80.34
- Bank deposits with original maturity of less than three months	484.00	123.50
Cash on hand	4.18	4.11
Total	969.90	207.95

13. Bank balances other than cash and cash equivalents above

Bank deposits with original maturity of more than three months but upto twelve months*	1,165.76	1,381.36
Total	1,165.76	1,381.36

* includes ₹ 16.05 lakhs (31 March 2022: ₹ 15.37 lakhs) pledged with Government Authorities as bank guarantee.

14. Other current financial assets

Security deposit	-	8.49
Interest accrued*	25.64	20.04
Other advances	111.72	-
Total	137.36	28.53

* includes ₹ 0.30 lakhs (31 March 2022: ₹ 0.30 lakhs) pledged with Government Authorities

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

PUREARTH

(All amounts in ₹ Lakhs unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
15. Other current assets		
<i>(Unsecured and considered good)</i>		
Advances to suppliers	0.32	2.94
Prepaid expenses	25.94	31.57
Balance with statutory/government authorities	408.24	536.74
Loans to employees	0.47	1.64
Others	2.76	2.76
Total	<u>437.73</u>	<u>575.65</u>

	As at 31 March 2023	As at 31 March 2022
16. Equity share capital		
a) Authorised		
110,799,000 (31 March 2022: 110,799,000) equity shares of ₹ 10 each	11,079.90	11,079.90
100 (31 March 2022: 100) 13.5% redeemable cumulative preference shares of ₹ 100 each	<u>0.10</u>	<u>0.10</u>
b) Issued, subscribed and fully paid-up		
107,800,000 (31 March 2022: 107,800,000) equity shares of ₹ 10 each fully paid-up	10,780.00	10,780.00
Total issued, subscribed and fully paid-up share capital	<u>10,780.00</u>	<u>10,780.00</u>

c) Reconciliation of the shares outstanding at the beginning and at the end of reporting period/ year:

	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the beginning of the year	10,78,00,000	10,780.00	10,78,00,000	10,780.00
Add: Shares issued during the year	-	-	-	-
At the end of the year	<u>10,78,00,000</u>	<u>10,780.00</u>	<u>10,78,00,000</u>	<u>10,780.00</u>

d) Rights, preferences and restrictions attached to equity shares:

The Holding Company has one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Holding Company. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Holding Company (after distribution of all preferential amounts, if any) in the proportion of equity shares held by the shareholders.

e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Holding Company:

	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
Tiara Investment Holdings Limited (Holding company)	5,46,00,000	50.65%	5,46,00,000	50.65%
Aggresar Leasing and Finance Private Limited	1,79,89,455	16.69%	1,79,89,455	16.69%
DCM Limited	1,78,53,605	16.56%	1,78,53,605	16.56%
Unison International IT Services Limited	71,15,182	6.60%	71,15,182	6.60%
Sumant Bharat Ram	58,61,818	5.44%	58,61,818	5.44%

f) Details of shares held by holding company

	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
Tiara Investment Holdings Limited (Holding company)	5,46,00,000	50.65%	5,46,00,000	50.65%
Total	5,46,00,000	50.65%	5,46,00,000	50.65%

g) Aggregate number of shares issued for consideration other than cash

No shares have been issued for other than cash during the period of five years immediately preceding 31 March 2023

h) Details of promoter shareholding

	As at 31 March 2023			As at 31 March 2022		
	Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
Tiara Investment Holdings Limited (Holding company)	5,46,00,000	50.65%	-	5,46,00,000	50.65%	-
Aggresar Leasing and Finance Private Limited	1,79,89,455	16.69%	-	1,79,89,455	16.69%	-
DCM Limited	1,78,53,605	16.56%	-	1,78,53,605	16.56%	-
Unison International IT Services Limited	71,15,182	6.60%	-	71,15,182	6.60%	-
Sumant Bharat Ram	58,61,818	5.44%	-	58,61,818	5.44%	-
Til Investments Private Limited	32,04,500	2.97%	-	32,04,500	2.97%	-
Atlantic Commercial Company Limited	4,00,000	0.37%	-	4,00,000	0.37%	-
Sat Pal Khattar	2,94,100	0.27%	-	2,94,100	0.27%	-

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

PUREARTH**(All amounts in ₹ Lakhs unless otherwise stated)**

	As at 31 March 2023	As at 31 March 2022
17. Other equity		
Reserves and surplus		
Securities premium reserve	5,720.00	5,720.00
Capital redemption reserve	96.60	96.60
Retained earnings	(6,033.94)	(6,736.19)
Total	(217.34)	(919.59)

Nature and purpose of other reserves**a) Securities Premium reserve**

Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Companies Act, 2013.

b) Capital redemption reserve

Capital redemption reserve was created on account of buyback of shares as per the requirements of Companies Act, 2013. The reserve will be utilised in accordance with provisions of the Companies Act, 2013

c) Retained earnings

Retained earnings is used to record balance of statement of profit and loss.

	Non-current borrowing		Current borrowing	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
18 Borrowings				
Term loan from banks*	56.95	73.46	16.51	15.54
Term loan from others**	3,946.49	6,347.51	2,024.13	4,836.47
	4,003.44	6,420.97	2,040.64	4,852.01

Repayment terms and security disclosure for the outstanding borrowings as at 31 March 2023 and 31 March 2022:***From banks:****Secured borrowings:**

The Holding Company had availed Vehicle Loan with Balance of ₹ 73.46 lakhs (31 March 2022: ₹ 89.00 Lakhs) from Axis Bank for official purposes which are secured by hypothecation of specific vehicle with first and exclusive charge and further secured by personal guarantee of Mr. Sumant Bharat Ram. The loans are carrying an interest rate of 7.10 % p.a. (31 March 2022: 7.10 %).

****From others:****Secured borrowings:**

(i) Term loans amounting to ₹ 3,983.12 Lakhs (31 March 2022: ₹ 8,533.98 Lakhs) is secured by first pari-passu charge on the land admeasuring 118,823.90 sq. yards. situated at Bara Hindu Rao, Delhi, owned by DCM Limited and the flats/flatted factories, present and future constructed/to be constructed thereon excluding the flats/flatted factories constructed/to be constructed booked by the customers of erstwhile builders and on which lien has been specifically released. These term loans are further secured by first charge over the receivables of the Company from the project by the name and style of "Central Square", first charge/lien on escrow accounts held singly/jointly by the Company and the Company's revenue share from present and future built up space/FSI being developed under the "Joint Development Agreement" for its residential project named as "Park Square" (now known as "The Amaryllis"). These term loans are further secured by pledge of 100% shares of Juhi Developers Private Limited which are owned by Betterways Finance and Leasing Private Limited (merged with Aggresar Leasing and Finance Private Limited effective 26 August 2016), Dr. Vinay Bharat Ram and Mr. Sumant Bharat Ram and pledge of 100% shares of Teak Farms Private Limited which are owned by Mr. Sumant Bharat Ram, Mr. Yuv Bharat Ram and Mr. Rahil Bharat Ram. These loans are further secured by creating first equitable mortgage on land owned by DCM Limited on Plot No. 4 and 11 admeasuring 1473.4 sq.yards and 1272.1 sq.yards both located at Block 67, W.E.A. New Rohtak Road, Karol Bagh, New Delhi. Further out of the above loan of ₹ 2,618.57 Lakhs (31 March 2022: ₹ 2,615.87 Lakhs)

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

PUREARTH**(All amounts in ₹ Lakhs unless otherwise stated)**

is additionally secured by first equitable mortgage of Plot No. 3 block 67, WEA Rohtak Road Karol Bagh, New Delhi and owned by DCM limited with first charge on entire sale proceeds/ receivables accruing from sold and unsold area at the said-mentioned land present and future.)

i)(a) Term Loan amounting to ₹ 1,364.55 Lakhs (31 March 2022: ₹ 5,918.11 Lakhs) is payable on 6 June 2023 .

i)(b) Out of Term Loan amounting to ₹ 2,618.57 Lakhs (31 March 2022: ₹ 2,615.87 Lakhs), an amount of ₹ 2,495.72 lakhs (31 March 2022: ₹ 2,493.02 lakhs) is repayable in 6 quarterly instalments commencing from 30 June 2024 and balance mortarium interest of ₹ 122.85 lakhs (31 March 2022: ₹ 122.85 lakhs) will be repaid along with last instalment considering the Mortarium scheme of RBI.

i)(c) The above-mentioned term loans carry an interest CFPLR (11.50% p.a.) less 200 basis points from 01 April 2021 to 31 December 2021 and interest CFPLR (11.50 % p.a.) less 250 basis points w.e.f 01 January 2022 to 31 January 2022 and interest CFPLR (11.60% p.a.) less 250 basis points w.e.f. 01 February 2022 to 28 February 2022 and interest CFPLR (11.70% p.a.) less 250 basis points w.e.f. 01 March 2022 to 31 March 2022 (the applicable rate as at 31 March 22 is 9.20% p.a).

For the financial year ended 31 March 2023 term loans carry an interest CFPLR less 250 Basis points of the lender from 01 April 2022 to 31 August 2022 and interest CFPLR less 300 basis points w.e.f 01 September 2022 to 31 March 2023 (the applicable rate during the year ended 31 March 2023 ranges from 9.2% p.a to 11.30 % p.a), (the applicable rate as at 31 March 2023 is 11.30% p.a).

(ii) Term Loan of ₹ 1,987.50 lakhs (31 March 2022: ₹ 2,650 lakhs) from HDFC limited by way of Guaranteed Emergency Credit Line (GECL) under ECLGS Scheme of National Credit Guarantee Trustee Company Limited (NCGTC) for general corporate purposes/ working capital/ expense to restart operations due to lockdown/ liquidity mismatch which is repayable in 48 EMIs post 12 months of moratorium and accordingly, the repayment to start from April 2022. The Loans shall be secured by second charge against the respective credit facilities as on 29th February 2020 provided by HDFC Limited to the Company except pledge of 100% shares of Juhi Developers Private Limited.

Further the loan shall be secured by First and Prime Charge in favour of the lender, on any assets acquired or created out of this facility and a second charge shall be extended as specified under the Scheme of NCGTC.

This term loan carry interest rate linked to HDFC construction finance prime lending rate (CFPLR 11.50% p.a.) less 200 basis points from 1 April 2021 till 31 January 2022 and interest CFPLR (11.60% p.a.) less 200 basis points w.e.f. 01 February 2022 to 28 February 2022 and interest CFPLR (11.70% p.a.) less 200 basis points w.e.f. 01 March 2022 to 31 March 2022 (the applicable rate as at 31 March 22 is 9.70% p.a).

For the financial year ended 31 March 2023 term loans carry an interest CFPLR minus 200 Basis points of the lender w.e.f. 01 April 2022 to 31 March 2023. (the applicable rate during the year ended 31 March 2023 ranges from 9.7% p.a to 12.30 % p.a), (the applicable rate as at 31 March 2023 is 12.30% p.a).

	As at 31 March 2023	As at 31 March 2022
19. Lease liabilities		
Current		
Lease liability (refer note 45)	-	23.17
Total	<u>-</u>	<u>23.17</u>
20. Other non-current financial liabilities		
Security deposits	2,925.25	2,606.02
Total	<u>2,925.25</u>	<u>2,606.02</u>
21. Non-current provisions		
Provision for employee benefits		
- Gratuity (refer note 38)	81.02	60.28
- Compensated absences	48.90	42.47
Total	<u>129.92</u>	<u>102.75</u>

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

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(All amounts in ₹ Lakhs unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
22. Other non-current liabilities		
Deferred income	197.66	310.21
Total	<u>197.66</u>	<u>310.21</u>
23. Trade payables		
Trade payables		
- total outstanding dues of micro enterprises and small enterprises; and (refer note 41)	28.32	29.40
- total outstanding dues of creditors other than micro enterprises and small enterprises	10,903.61	10,835.37
Total	<u>10,931.93</u>	<u>10,864.77</u>

Ageing schedule of trade payables as on 31 March 2023

As at 31 March 2023	Unbilled dues	Outstanding from the due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro, small and medium enterprises	18.08	10.24	-	-	-	28.32
Others	7,595.64	131.68	3,156.52	-	19.77	10,903.61
Disputed Dues (MSME)	-	-	-	-	-	-
Disputed Dues (Others)	-	-	-	-	-	-

Ageing schedule of trade payables as on 31 March 2022

As at 31 March 2022	Unbilled dues	Outstanding from the due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro, small and medium enterprises	24.83	4.57	-	-	-	29.40
Others	5,619.57	3,815.54	1,379.53	-	20.73	10,835.37
Disputed Dues (MSME)	-	-	-	-	-	-
Disputed Dues (Others)	-	-	-	-	-	-

	As at 31 March 2023	As at 31 March 2022
24. Other current financial liabilities		
Interest accrued on borrowing	0.43	0.37
Security deposits	290.10	291.63
Employee related payables	108.08	49.83
Total	<u>398.61</u>	<u>341.83</u>

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(All amounts in ₹ Lakhs unless otherwise stated)**PUREARTH**

	As at 31 March 2023	As at 31 March 2022
25. Other current liabilities		
Statutory dues payable	28.54	39.02
Contract liability- Advance from customers	14,541.84	21,024.70
Deferred income	112.55	112.55
Total	<u>14,682.93</u>	<u>21,176.27</u>
For terms and conditions of advances received from customers owing to related parties, refer note 39		
26. Current provisions		
Provision for employee benefits		
- Gratuity (refer note 38)	2.45	3.52
- Compensated absences	4.26	4.16
Total	<u>6.71</u>	<u>7.68</u>
	For the year ended 31 March 2023	For the year ended 31 March 2022
27. Revenue from operations		
Operating revenue		
Revenue from real estate operations	16,447.65	21,869.58
Other operating revenue		
Maintenance service income	737.15	289.13
Transfer charges and forfeiture income	8.58	8.87
Total	<u>17,193.38</u>	<u>22,167.58</u>
28. Other income		
Interest income		
- Deposits with banks and financial institutions	75.68	75.93
- Others	209.00	166.74
-Interest on income tax refund	5.95	-
Other non-operating income		
Net gain on sale of property, plant and equipment	0.60	-
Amortisation of deferred income	113.07	113.34
Miscellaneous income	35.68	12.35
Total	<u>439.98</u>	<u>368.36</u>

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
 (All amounts in ₹ Lakhs unless otherwise stated)

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	For the year ended 31 March 2023	For the year ended 31 March 2022
29. Cost of revenue		
Cost incurred during the year	2,004.29	7,636.47
Decrease in real estate properties		
Opening stock	47,341.06	54,330.02
Closing stock	(36,168.47)	(47,341.06)
Net	<u>11,172.59</u>	<u>6,988.96</u>
Total	<u>13,176.88</u>	<u>14,625.43</u>
30. Employee benefits expense		
Salaries, bonus and other allowances	716.16	571.61
Contribution to provident funds (refer note 38)	26.40	23.74
Gratuity and compensated absences (refer note 38)	23.92	24.23
Staff welfare expenses	9.07	7.87
Total	<u>775.55</u>	<u>627.45</u>
31. Finance costs		
Interest expense on amortised cost		
Term loan	918.06	1,260.82
Financial liabilities	243.32	232.57
Total	<u>1,161.38</u>	<u>1,493.39</u>
32. Depreciation and amortisation expense		
Depreciation of property, plant and equipments (refer note 5)	41.10	9.86
Amortisation of computer software (refer note 5A)	0.14	-
Depreciation of right to use leased assets (refer note 6)	22.80	34.12
Total	<u>64.04</u>	<u>43.98</u>

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 Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
 (All amounts in ₹ Lakhs unless otherwise stated)

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	For the year ended 31 March 2023	For the year ended 31 March 2022
33. Other expenses		
Travelling and conveyance	128.77	77.33
Communication	7.71	8.19
Repair and maintenance - others	2.13	2.95
Legal and professional fees	182.53	104.35
Rates and taxes	20.79	43.82
Insurance	24.62	21.81
Property management expenses	465.30	470.87
Electricity and water charges	148.19	127.15
Commission to non executive Directors	-	197.12
Director sitting fees	47.93	26.46
Loss on disposal of property, plant and equipment	-	0.34
Printing and stationery	6.22	5.39
Expenditure on corporate social responsibility (refer note 42)	47.41	49.02
Bad debts written off	0.11	0.69
Loss allowance for doubtful receivables (refer note 11)	359.81	70.89
Brokerage and marketing	152.90	259.13
Compensation to customers	160.23	36.48
Miscellaneous expenses	37.70	19.55
Total	<u>1,792.35</u>	<u>1,521.54</u>

34. Tax expense
(a) Amounts recognised in profit and loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax (including earlier years)	0.07	0.05
Deferred tax	(45.94)	1,102.23
Tax expense for the year	<u>(45.87)</u>	<u>1,102.28</u>

(b) Income tax recognised in other comprehensive income (OCI)

Particulars	For the year ended 31 March 2023		
	Before tax	Tax benefit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligation	(9.08)	2.29	(6.79)
	<u>(9.08)</u>	<u>2.29</u>	<u>(6.79)</u>

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	For the year ended 31 March 2022		
	Before tax	Tax expense	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligation	5.22	(1.31)	3.91
	<u>5.22</u>	<u>(1.31)</u>	<u>3.91</u>

(c) Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	663.16	4,224.15
Tax using the Company's domestic tax rate	25.168%	25.168%
Computed tax expense	166.90	1,063.13
Tax effect of:		
Non-deductible expenses/non-taxable income	11.93	12.34
Recognised in OCI during the year	(2.29)	1.31
Tax adjustments relating to prior years	-	0.05
Temporary timing differences on which deferred tax not created	-	60.01
Deferred tax created on unutilised tax losses	(238.30)	-
Others	15.88	(34.56)
Effective tax rate	(45.87)	1,102.28

Details of unused tax losses for which no deferred tax is recognised in balance sheet:

Particulars	For the year ended 31 March 2023		
	Base amount	Deferred tax	Expiry date (Assessment year)
Tax Losses			
Assessment year 2020-21	0.20	0.05	31 March 2029
Assessment year 2021-22	3.21	0.81	31 March 2030
Assessment year 2022-23	7.48	1.88	31 March 2031
Assessment year 2023-24	1.32	0.33	31 March 2032
Total	<u>12.21</u>	<u>3.07</u>	

Particulars	For the year ended 31 March 2022		
	Base amount	Deferred tax	Expiry date (Assessment year)
Tax Losses			
Assessment year 2020-21	0.20	0.05	31 March 2029
Assessment year 2021-22	950.03	239.10	31 March 2030
Assessment year 2022-23	7.48	1.88	31 March 2031
Total	<u>957.71</u>	<u>241.03</u>	

(All amounts in ₹ Lakhs unless otherwise stated)

(d) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Particulars	Deferred tax assets		Deferred tax liabilities		deferred tax assets (net)	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Property, plant and equipment	18.99	15.97	-	-	18.99	15.97
Right of use assets and lease liability	-	0.09	-	-	-	0.09
Provision for employee benefits	34.39	26.65	-	-	34.39	26.65
Amount to be claimed in future years as per Income-tax Act, 1961	676.62	676.62	-	-	676.62	676.62
Carried forward of losses and unabsorbed depreciation	2,649.97	2,571.16	-	-	2,649.97	2,571.16
Allowance for doubtful receivables and provision for expenses	54.79	96.04	-	-	54.79	96.04
Net deferred tax assets	3,434.76	3,386.53	-	-	3,434.76	3,386.53

(e) Movement in temporary differences:

Particulars	Balance as at 31 March 2022	Recognised in profit or loss during 2022-23	Recognised in OCI during 2022-23	Balance as at 31 March 2023
Property, plant and equipment	15.97	3.02	-	18.99
Right of use assets and lease liability	0.09	(0.09)	-	-
Provision for employee benefits	26.65	5.45	2.29	34.39
Amount to be claimed in future years as per Income-tax Act, 1961	676.62	-	-	676.62
Carried forward of loss and unabsorbed depreciation	2,571.16	78.81	-	2,649.97
Allowance for doubtful receivables and provision for expenses	96.04	(41.25)	-	54.79
	3,386.53	45.94	2.29	3,434.76

Particulars	Balance as at 1 April 2021	Recognised in profit or loss during 2021-22	Recognised in OCI during 2021-22	Balance as at 31 March 2022
Property, plant and equipment	10.14	5.83	-	15.97
Right of use assets and lease liability	0.27	(0.18)	-	0.09
Provision for employee benefits	27.06	0.90	(1.31)	26.65
Amount to be claimed in future years as per Income-tax Act, 1961	676.62	-	-	676.62
Carried forward of losses and unabsorbed depreciation	3,763.61	(1,192.45)	-	2,571.16
Allowance for doubtful receivables and provision for expenses	12.36	83.68	-	96.04
	4,490.06	(1,102.23)	(1.31)	3,386.53

35. Contingent liabilities

- a) Claims against the Group not acknowledged as debts:

Due to delays in real estate project activities, certain customers had lodged claims against the Group for compensation aggregating to ₹ 587.86 Lakhs (31 March 2022: ₹ 460.37 Lakhs) in lieu of non-materialization of agreement to sell for transfer of right in property entered with them. Based on the favorable decision in similar cases received by the Group/discussions with the solicitors etc., the Group believes that it has good cases in respect of items mentioned above and hence no provision against these cases is considered necessary.

- b) The Holding Company had given the Corporate Guarantee to TATA Power for its interim permanent Load of 1.5MVA for its immediate operation requirement at Plot No. 20 manohar Lal Khurana Marg , Bara Hindu Rao, Delhi to the extent of ₹ 100 lacs towards prorated cost of 33/11 KV Grid station and now updated the validity till 31st December 2023.

36. Earnings per equity share (EPS)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Net profit attributable to equity shareholders as per Statement of Profit and Loss (₹ Lakhs)	709.03	3,121.87
Weighted average number of equity shares in calculating Basic EPS	10,78,00,000	10,78,00,000
Weighted average number of equity shares in calculating Diluted EPS	10,78,00,000	10,78,00,000
Basic earning per share in rupees (face value per equity share ₹ 10 each)	0.66	2.90
Diluted earning per share in rupees (face value per equity share ₹ 10 each)	0.66	2.90

37. Operating segments**A. Basis for segmentation**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. The Group's Board of Directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decisions with respect to the preparation and execution of business plan, preparation of budget and planning. All operating segments' operating results are reviewed regularly by the Group's Board of Directors to assess the performance of resources and make decisions.

The Holding Company is primarily engaged in the business of "Real Estate Development", which as per Indian Accounting Standard – 108 on 'Operating Segments' is considered to be the only reportable business segment. The Holding Company is operating in India which is considered as a single geographical segment.

B. Entity wide disclosures

- a) **Information about products and services:** The Holding Company primarily deals in one business namely "Real Estate Development", therefore product-wise revenue disclosure is not applicable.
- b) **Information about geographical areas:** The Holding Company provides services to customers which are domiciled in India. All the assets of the Holding Company are located in India and hence there are no separate geographical areas.

C. Major customer

The Holding Company is primarily engaged in the business of "Real Estate Development" and sale real estate properties to retail customers. Further, there are no customers who are required to be disclosed under major customer category.

38. Employee benefits**A Defined contribution plans**

Contributions to defined contribution plans recognised as an expense and has been shown under Employee benefits expense in the Statement of Profit and Loss for the year are as under:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Group's contribution to provident fund	26.40	23.74

B Description of Risk Exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Holding company is exposed to various risks as follow -

- i) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- ii) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.
- iii) Mortality & disability – Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- iv) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

C Defined benefit plans

The Group operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Group on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972.

The following table sets out the status of the Gratuity as required under Ind-AS 19 - Employee Benefits:

Particulars	31 March 2023	31 March 2022
Defined benefit liability- Gratuity	83.47	63.80
Total employee benefit liabilities		
Non-current	81.02	60.28
Current	2.45	3.52
Total	83.47	63.80

(i) Reconciliation of the defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the defined benefit liability and its components

Particulars	31 March 2023	31 March 2022
Balance at the beginning of the year	63.80	61.68
Current service cost	9.13	9.23
Interest cost	4.28	3.82
Actuarial loss/(gain) recognised in other comprehensive income		
changes in financial assumptions	8.29	(1.75)
experience adjustments	0.79	(3.47)
Benefits paid	(2.82)	(5.71)
Balance at the end of the year	83.47	63.80

ii) Expense recognised in profit or loss

Particulars	31 March 2023	31 March 2022
Current service cost	9.13	9.23
Interest cost	4.28	3.82
Total	13.41	13.05

iii) Remeasurements recognised in other comprehensive income

Particulars	31 March 2023	31 March 2022
Actuarial loss/(gain) on defined benefit obligation	9.08	(5.22)
Total	9.08	(5.22)

iv) Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	31 March 2023	31 March 2022
Financial assumptions		
Discount rate	7.40%	6.90%
Future salary growth	6.00%	6.00%
Average remaining working lives of employees (years)	17.40	17.25
Demographic assumptions		
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal rate		
Up to 25 years	3.00%	3.00%
26 to 45 years	2.00%	2.00%
Above 45 years	1.00%	1.00%
Retirement age	58 years	58 years

As at 31 March 2023, the average outstanding terms of the obligations as at valuation date is 7.74 years (31 March 2022: 7.85 years)

As the Holding Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

v) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	31 March 2023		31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50%)	(3.10)	3.30	(2.37)	2.52
Future salary growth (0.50%)	2.52	(2.89)	2.25	(2.40)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

vi) Maturity profile

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

Year	31 March 2023	Year	31 March 2022
April 2023 – March 2024	2.45	April 2022 – March 2023	3.52
April 2024 – March 2025	3.19	April 2023 – March 2024	2.02
April 2025 – March 2026	31.25	April 2024 – March 2025	2.69
April 2026 – March 2027	1.08	April 2025 – March 2026	26.07
April 2027 – March 2028	1.15	April 2026 – March 2027	0.85
April 2028 onwards	39.24	April 2027 onwards	30.10

vii) Other long-term benefits

An amount of ₹ 10.51 lakhs (31 March 2022: ₹ 11.18 lakhs) pertaining to compensated absences is recognised as an expense and included in "Employee Benefits".

39. Related party disclosures:

In accordance with the requirements of Ind AS 24 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are:

A. Name and description of relationship of the related party**a) Holding company**

Tiara Investment Holdings Limited, Mauritius

b) Entities exercising significant influence (where transaction have taken place during the year)

DCM Limited, India - Investing Company

c) Key Management Personnel (KMPs)

Name of Key Management Personnel	Designation
Mr. Sumant Bharat Ram	Whole-time Director
Mrs. Chitra Gouri Lal	Director
Mr. Ajay Khanna	Chief Financial Officer
Mr. Sachin Kumar Gupta	Company Secretary
Mr. Karan Singh Thakral	Director
Mr. Yash Gupta	Independent Director
Mr. Sat Pal Khattar	Director
Mr. Kartar Singh Thakral	Director
Mr. Satveer Singh Thakral	Alternate Director to Mr. Kartar Singh Thakral
Mr. Yuv Bharat Ram	Director
Mr. Rahil Bharat Ram	Director
Mr. Navin Khattar	Director

d) Other enterprises under the control of Key Management Personnel and their relatives with whom there were transactions during the year.**Name of Entity**

Aggresar Leasing & Finance Private Limited.

Shreshtha Real Estates Private Limited

DCM Nouvelle Limited

Khattar Estates Private Limited

Atlantic Commercial Company Limited

(All amounts in ₹ Lakhs unless otherwise stated)

B. The following transactions were carried out with related parties in the ordinary course of business:

Particulars	Amount	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Expense reimbursement from		
DCM Limited	3.38	3.08
Aggresar Leasing & Finance Private Limited.	0.43	0.39
Property tax paid on the behalf of		
DCM Limited	0.60	0.45
Aggresar Leasing & Finance Private Limited	0.19	0.14
Shreshtha Real Estates Private Limited	0.10	-
Mr. Sumant Bharat Ram	0.29	0.19
Khattar Estates Private Limited	0.07	0.05
Mr. Sat Pal Khattar	0.54	0.40
Mr. Yuv Bharat Ram	0.07	0.03
Mr. Rahil Bharat Ram	-	0.14
Maintenance income		
DCM Limited	9.12	6.59
Shreshtha Real Estates Private Limited	0.42	0.03
Mr. Sumant Bharat Ram	2.48	0.41
Khattar Estates Private Limited	0.87	0.14
Mr. Sat Pal Khattar	6.05	1.01
Mr. Yuv Bharat Ram	0.98	1.86
Mr. Rahil Bharat Ram	0.31	3.22
Aggresar Leasing & Finance Private Limited	2.71	2.95
Atlantic Commercial Company Limited	0.81	-
Income of transfer charges from		
Mr. Sumant Bharat Ram	0.08	0.14
Mr. Yuv Bharat Ram	-	0.23
Aggresar Leasing & Finance Private Limited	0.15	0.16
Mr. Rahil Bharat Ram	-	0.37
DCM Limited	0.38	2.22
Shreshtha Real Estates Private Limited	0.14	-
Fitout repair and renovation income		
Aggresar Leasing and Finance Private Limited	2.17	0.34
Mr. Yuv Bharat Ram	-	1.69
Mr. Rahil Bharat Ram	-	3.17

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

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(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Amount	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income		
DCM Limited	207.45	164.96
Acquisition of residential units of Holding Company by		
DCM Limited	185.85	289.81
Amount received / (adjusted or refunded) during the year from sale of constructed properties		
Mr. Sumant Bharat Ram	18.41	17.32
Mr. Rahil Bharat Ram	14.75	41.72
Mr. Yuv Bharat Ram	17.50	63.26
Mr. Ajay Khanna	-	(68.73)
DCM Limited	-	(1,029.07)
Khattar Estates Private Limited	(30.61)	30.37
Aggresar Leasing & Finance Private Limited	57.98	(25.23)
DCM Nouvelle Limited	-	(134.65)
Atlantic Commercial Company Limited	5.12	(12.08)
Shreshtha Real Estates Private Limited	9.45	-
Mr. Sat Pal Khattar	2.80	-
Amount received against receivables		
Mr. Sumant Bharat Ram	19.28	1.80
DCM Limited	23.20	9.01
Aggresar Leasing & Finance Private Limited	21.42	(5.66)
Khattar Estates Private Limited	1.09	(7.42)
Atlantic Commercial Company Limited	82.35	(0.19)
Shreshtha Real Estates Private Limited	1.23	(0.15)
Mr. Rahil Bharat Ram	0.36	8.12
Mr. Sat Pal Khattar	7.67	(94.26)
Mr. Yuv Bharat Ram	1.24	4.46
Security deposits received		
Mr. Sumant Bharat Ram	1.91	-
Mr. Sat Pal Khattar	-	5.04
DCM Limited	-	5.41
Shreshtha Real Estates Private Limited	-	0.16
Aggresar Leasing & Finance Private Limited.	1.05	-
Khattar Estates Private Limited	-	0.72
Mr. Yuv Bharat Ram	-	0.15
Mr. Rahil Bharat Ram	-	0.02

Transactions with key management personnel

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Remuneration*		
Mr. Sumant Bharat Ram	275.15	200.58
Mr. Ajay Khanna	33.88	33.83
Mr. Sachin Kumar Gupta	13.31	11.77
Commission / Performance Bonus		
Mr. Sat Pal Khattar	-	98.56
Mr. Karan Singh Thakral	-	98.56
Post-employment defined benefit plan**		
Gratuity		
Mr. Sumant Bharat Ram	3.83	4.33
Mr. Sachin Kumar Gupta	0.38	0.25
Other long term defined benefit plan**		
Compensated absences		
Mr. Sumant Bharat Ram	(3.07)	5.07
Mr. Sachin Kumar Gupta	0.71	0.17
Director sitting fees***		
Mr. Yash Gupta	7.89	6.62
Mr. Satveer Singh Thakral	3.38	2.76
Mr. Sat Pal Khattar	7.33	0.55
Mr. Karan Singh Thakral	11.84	1.10
Mrs. Chitra Gouri Lal	5.64	4.96
Mr. Yuv Bharat Ram	5.64	4.96
Mr. Rahil Bharat Ram	3.38	2.76
Mr. Navin Khattar	2.82	2.76
Total compensation of key management personnel	372.11	479.59

* Remuneration include salary and other employee benefits (including provident fund, lease rent & other expenses).

** Provision for gratuity and compensated absences are determined on the basis of actuarial valuation for the Holding Company.

*** Including Goods and Service Tax, as applicable.

Balances with related parties

Particulars	Amount	
	As at 31 March 2023	As at 31 March 2022
Receivables from DCM limited		
- Receivables principal	1,952.24	1,766.39
- Interest Accrued but not due on above	335.94	149.23
Trade receivables		
Mr. Sumant Bharat Ram	-	13.66
Aggresar Leasing & Finance Private Limited	-	6.53
Khattar Estates Private Limited	-	0.17
Contract liability (Other current liability)		
Mr. Sumant Bharat Ram	18.41	65.95
Mr. Rahil Bharat Ram	16.00	60.38
Mr. Yuv Bharat Ram	20.82	70.87
DCM Limited	-	220.42
Khattar Estates Private Limited	6.46	37.07
Atlantic Commercial Company Limited	6.35	9.05
Aggresar Leasing & Finance Private Limited	49.15	7.57
Shreshtha Real Estates Private Limited	9.45	-
Mr. Sat Pal Khattar	2.80	-
Trade payables/ Amount payables to		
Mr. Sumant Bharat Ram	12.19	6.98
Mr. Sachin Kumar Gupta	1.25	0.89
Mr. Ajay Khanna	3.61	3.83
Security deposit		
DCM Limited	5.41	5.41
Aggresar Leasing & Finance Private Limited	1.05	-
Shreshtha Real Estates Private Limited	0.16	0.16
Mr. Sumant Bharat Ram	1.91	-
Mr. Sat Pal Khattar	5.04	5.04
Khattar Estates Private Limited	0.72	0.72
Mr. Yuv Bharat Ram	0.52	0.52
Mr. Rahil Bharat Ram	0.02	0.02
Post-employment defined benefit plan		
Gratuity		
Mr. Sumant Bharat Ram	13.02	9.19
Mr. Sachin Kumar Gupta	2.14	1.77
Other long term defined benefit plan		
Compensated absences		
Mr. Sumant Bharat Ram	8.13	11.20
Mr. Sachin Kumar Gupta	2.23	1.67

C. Terms and conditions of transactions with the related parties

I Transactions with the related parties are made on normal commercial terms and conditions and at market rates.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

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40. a) The Holding Company has project “Central Square” for which construction work on different Plazas, i.e. on Plaza 1, 2 and 3, has commenced in earlier years. Completion certificates of Plazas 1,2 and 3 of Central Square have been received from the appropriate authority in the earlier years and are now operational. The Holding Company has been recognising the revenue for the plazas 1,2 and 3. The Holding Company had started development activities in Plaza 4 in earlier years but no revenue is being recognized as per the related accounting policy.
- b) The Holding Company has another project “Amaryllis” (also known as “Park Square”) at Kishanganj, Delhi for which entered into a Joint Development Agreement (JDA) including addendums thereto, with M/s Basant Projects Limited (Unity) for joint development of the project, during the earlier years. As per the JDA, all amounts received from booking holders will be to the account of the Holding Company and the Holding Company has appointed Unity as the construction contractor for development/construction of the specified area on behalf of the Holding Company, for a specified consideration. The Holding Company has received Occupation Certificate for phase I of park square during the previous year and started recognising revenue as per the related accounting policy.
41. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006:

Particulars	As at 31 March 2023	As at 31 March 2022
(a) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the period		
- Principal	28.32	29.40
- Interest	-	-
(b) The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006	-	-
(c) The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting period.	-	-
(d) 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 period) but without adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006.	-	-
(e) The amount of interest accrued and remaining unpaid at the end of each accounting period.	-	-
(f) The amount of further interest remaining due and payable even in the succeeding periods, 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 the Micro Small and Medium Enterprises Development Act, 2006.	-	-

42. Corporate Social Responsibility (CSR)

During the year ended 31 March 2015, as per section 135 of the Companies Act, 2013, a CSR committee was formed by the Holding Company. The Holding Company’s CSR activities are instrumental in providing education to children. The funds were utilized as financial contribution towards Senior Secondary Schools being run by the DCM Educational Society at Kishanganj, Delhi viz., DCM Boys’ Senior Secondary School and DCM Girls’ Senior Secondary School. During the current year, the Holding Company was required to spend an amount of ₹ 7.11 Lakhs (31 March 2022: ₹ Nil) on CSR activities, against which the Holding Company has actually incurred a sum of ₹ 47.41 Lakhs (31 March 2022: ₹ 49.02 Lakhs) out of which ₹ Nil (31 March 2022: ₹ Nil) remains payable at the end of the year.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

PUREARTH**(All amounts in ₹ Lakhs unless otherwise stated)**

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Amount required to be spent by the Holding company during the year	7.11	-
(ii) Amount of expenditure incurred	47.41	49.02
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	NA	NA
(vi) Nature of CSR activities	Financial contribution to School for providing education	
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the Holding company in relation to CSR expenditure as per relevant Accounting Standard	-	-
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA	NA

43. Disclosures on revenue pursuant to Ind AS 115 - Revenue from contracts with customers**A Disaggregation of revenue**

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from contracts with customers		
Revenue from operations	16,447.65	21,869.58
Other operating revenue (Maintenance service income, transfer charges and forfeiture income)	745.73	298.00
Total revenue covered under Ind AS 115	17,193.38	22,167.58

B Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Receivables		
Trade receivables	1,439.23	1,444.25
Less: Loss allowance	(482.25)	(122.44)
Net receivables	956.98	1,321.81
Contract liabilities		
Advance from customers	14,541.84	21,024.70
Total contract liabilities	14,541.84	21,024.70

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liabilities are recognised as and when the performance obligation is satisfied.

C Significant changes in the contract liabilities (advances from customers) during the year are as follows:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance	21,024.70	31,636.92
Addition during the year	9,964.79	11,257.36
Performance obligation satisfied in current year	(16,447.65)	(21,869.58)
Closing balance	14,541.84	21,024.70

44. Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows.

The changes in the Group's liabilities arising from financing activities can be classified as follows:

Particulars	Non-Current borrowings	Current borrowings	Interest accrued	Total
Net debt as at 1 April 2021	12,004.26	2,880.71	-	14,884.97
Proceeds from non-current borrowings	89.00	-	-	89.00
Repayment of current/non-current borrowings	(833.50)	(2,880.71)	-	(3,714.21)
Non-cash movement arising on account of amortisation of upfront fees and others	-	13.22	-	13.22
Transfer to current borrowing (current maturity)	(4,838.79)	4,838.79	-	-
Interest expense	-	-	1,260.82	1,260.82
Interest paid	-	-	(1,260.45)	(1,260.45)
Net debt as at 31 March 2022	6,420.97	4,852.01	0.37	11,273.35

Particulars	Non-Current borrowings	Current borrowings	Interest accrued	Total
Net debt as at 1 April 2022	6,420.97	4,852.01	0.37	11,273.35
Repayment of current/non-current borrowings	(382.64)	(4,852.01)	-	(5,234.65)
Non-cash movement arising on account of amortisation of upfront fees and others	-	5.75	(5.75)	-
Transfer to current borrowing (current maturity)	(2,034.89)	2,034.89	-	-
Interest expense	-	-	918.06	918.06
Interest paid	-	-	(912.25)	(912.25)
Net debt as at 31 March 2023	4,003.44	2,040.64	0.43	6,044.51

45. Information on lease transactions pursuant to Ind AS 116 - Leases**Assets taken on lease**

The Holding Company has taken leases for director residence in previous years and reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Holding Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment. The Holding Company is prohibited from selling or pledging the underlying leased assets as security and further under obligation to keep the properties in a good state of repair and return the properties in their original condition at the end of the lease.

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	31 March 2023	31 March 2022
Short-term leases	-	-

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

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(All amounts in ₹ Lakhs unless otherwise stated)

B Total cash outflow for leases for the year ended 31 March 2023 was ₹ 24.00 lakhs (31 March 2022 : ₹ 36.00 Lakhs).

C Total expense recognised during the year

Particulars	31 March 2023	31 March 2022
Interest on lease liabilities	0.83	3.11
Depreciation on right of use asset	22.8	34.12

D Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

31 March 2023	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-
Net present values	-	-	-	-	-	-	-

31 March 2022	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	24.00	-	-	-	-	-	24.00
Interest expense	(0.83)	-	-	-	-	-	(0.83)
Net present values	23.17	-	-	-	-	-	23.17

E Information about extension and termination options

As at 31 March 2023

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Residential premises	-	-	-	-	-	-

As at 31 March 2022

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Residential premises	1	0.67 years or 8 months	0.67 years or 8 months	-	-	1

F Bifurcation of lease liabilities at the end of the year in current and non-current

Particulars	31 March 2023	31 March 2022
a) Current liability (amount due within one year)	-	23.17
b) Non-current liability (amount due over one year)	-	-
Total lease liabilities at the end of the year	-	23.17

(All amounts in ₹ Lakhs unless otherwise stated)

46. Fair value measurement and financial instruments

a. Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

For amortised cost instruments, carrying value represents the best estimate of fair value

(i) As at 31 March 2023

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets								
Non-current								
Other financial assets	7	-	-	2,315.68	2,315.68	-	-	2,315.68
Current								
Trade receivables	11	-	-	956.98	956.98	-	-	956.98
Cash and cash equivalents	12	-	-	969.90	969.90	-	-	969.90
Bank balances other than cash and cash equivalents	13	-	-	1,165.76	1,165.76	-	-	1,165.76
Other financial assets	14	-	-	137.36	137.36	-	-	137.36
Total		-	-	5,545.68	5,545.68	-	-	5,545.68
Financial liabilities								
Non-current								
Borrowings#(current and non-current borrowing)	18	-	-	6,044.08	6,044.08	-	-	6,044.08
Other financial liabilities	20	-	-	2,925.25	2,925.25	-	-	2,925.25
Current								
Trade payables	23	-	-	10,931.93	10,931.93	-	-	10,931.93
Other financial liabilities	24	-	-	398.61	398.61	-	-	398.61
Total		-	-	20,299.87	20,299.87	-	-	20,299.87

(ii) As at 31 March 2022

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets								
Non-current								
Other financial assets	7	-	-	1,941.73	1,941.73	-	-	1,941.73
Current								
Trade receivables	11	-	-	1,321.81	1,321.81	-	-	1,321.81
Cash and cash equivalents	12	-	-	207.95	207.95	-	-	207.95
Bank balances other than cash and cash equivalents	13	-	-	1,381.36	1,381.36	-	-	1,381.36
Other financial assets	14	-	-	28.53	28.53	-	-	28.53
Total		-	-	4,881.38	4,881.38	-	-	4,881.38

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial liabilities								
Non-current								
Borrowings#(current and non-current borrowing)	18	-	-	11,272.98	11,272.98	-	-	11,272.98
Other financial liabilities	20	-	-	2,606.02	2,606.02	-	-	2,606.02
Current								
Trade payables	23	-	-	10,864.77	10,864.77	-	-	10,864.77
Lease liabilities	19	-	-	23.17	23.17	-	-	23.17
Other financial liabilities	24	-	-	341.83	341.83	-	-	341.83
Total		-	-	25,108.77	25,108.77	-	-	25,108.77

#The Group's borrowings have been contracted at floating rates of interest. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.

b. Financial risk management (continued)

(i) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

Credit risk rating

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss
A: Low credit risk	Cash and cash equivalents, other bank balances and other financial assets	12 month expected credit loss/Life time expected credit loss
C: High credit risk	Trade receivables	12 month expected credit loss/Life time expected credit loss/fully provided for

Assets under credit risk –

Credit rating	Particulars	31 March 2023	31 March 2022
A: Low credit risk	Cash and cash equivalents, other bank balances and other financial assets	4,588.70	3,559.57
C: High credit risk	Trade receivables	956.98	1,321.81

b) Credit risk exposure

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables	956.98	1,321.81
Cash and cash equivalents	969.90	207.95
Balances other than cash and cash equivalents	1,165.76	1,381.36
Other financial assets - current	137.36	28.53
Other financial assets - non-current	2,315.68	1,941.73

Trade receivable

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Trade receivables are unsecured and are derived from revenue earned from customers primarily located in India. The Group monitors the economic environment in which it operates. The credit risk with regards to trade receivable and unbilled receivable (i.e Income accrued) is almost negligible in case of its property sale business as the same is due to the fact that in case of its property sale business it does not handover possession till entire outstanding is received.

During the year, the Group has recognised impairment provision against trade receivables of ₹ 359.81 lakhs (31 March 2022: ₹ 70.89 lakhs).

Credit risk on cash and cash equivalents is limited as the Group generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies.

The Group establishes an allowance for impairment that represents its expected credit losses in respect of trade receivable and other financial assets. The management uses a simplified approach (i.e. based on lifetime ECL) for the purpose of impairment loss allowance. The Group estimates amounts based on the business environment in which the Group operates, and management considers that the trade receivables are in default (credit impaired) when the counterparty fails to make payments for receivable more than 3 years past due. However the Group based upon historical experience, determine an impairment allowance for loss on receivables.

b. Financial risk management (continued)

(ii) Liquidity risk

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

The Group believes that its liquidity position, including total cash and cash equivalent and bank balances other than cash and cash equivalent of ₹ 2,135.67 Lakhs as at 31 March 2023 (31 March 2022: ₹ 1,589.31 Lakhs), anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Group believes it has access to value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Group will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary.

The Group's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Group's liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.

(All amounts in ₹ Lakhs unless otherwise stated)

I. Financing arrangements

The Group doesn't have access to any undrawn borrowing facilities at the end of the reporting period:

II. Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted:

As at 31 March 2023	Contractual cash flows			
	Less than one year	Between one year and five years	More than 5 years	Total
Non-current liabilities				
Borrowings(Including interest accrued)	2,572.37	4,444.75	-	7,017.12
Other financial liabilities	-	2,925.25	-	2,925.25
Current liabilities				
Trade payables	10,931.93	-	-	10,931.93
Other financial liabilities	398.18	-	-	398.18
Total	13,902.48	7,370.00	-	21,272.48

As at 31 March 2022	Contractual cash flows			
	Less than one year	Between one year and five years	More than 5 years	Total
Non-current Liabilities				
Borrowings(Including interest accrued)	5,730.61	7,223.13	-	12,953.74
Other financial liabilities	-	2,606.02	-	2,606.02
Current liabilities				
Trade payables	10,864.77	-	-	10,864.77
Lease liabilities	24.00	-	-	24.00
Other financial liabilities	341.46	-	-	341.46
Total	16,960.84	9,829.15	-	26,789.99

b. Financial risk management (continued)**(iii) Market risk**

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is not exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. There is no exposure which arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Group's operating, investing and financing activities.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk.

Exposure to interest rate risk

The Group's interest rate risk arises majorly from the term loans from financial institutions carrying floating rate of interest. These obligations exposes the Group to cash flow interest rate risk. The exposure of the Group's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Term loan from banks- Fixed rate borrowings	73.46	89.00
Term loan from others- Variable rate borrowings	5,970.62	11,183.98
Total	6,044.08	11,272.98

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points (bps) in interest rates at the reporting date would have increased/ (decreased) the loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or (loss)	
	100 bps increase	100 bps decrease
Interest on term loans from others		
For the year ended 31 March 2023	59.71	(59.71)
For the year ended 31 March 2022	111.84	(111.84)

47. Interests in other entities**(a) Subsidiaries**

The details of the consolidated subsidiary companies as at 31 March 2023 and 31 March 2022 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of the Subsidiary Group	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
Kalptru Realty Private Limited	India	100%	100%	-	-
Kamayani Facility Management Private Limited	India	100%	100%	-	-
Vighanharta Estates Private Limited	India	100%	100%	-	-

Principal activities of group companies -**Kalptru Realty Private Limited**

The company is engaged in Real Estate related activities

Kamayani Facility Management Private Limited

The company is engaged in the business of Real Estate and facility management.

Vighanharta Estates Private Limited

The company is engaged in Real Estate related activities

48. Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary and Joint venture.

Name of Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (Rs. in Lakhs)	As % of consolidated profit or loss	Amount (Rs. in Lakhs)	As % of consolidated other comprehensive income	Amount (Rs. in Lakhs)	As % of consolidated total comprehensive income	Amount (Rs. in Lakhs)
Parent company:								
Purearth Infrastructure Limited								
31 March 2023	100.39%	10,603.35	100.15%	710.12	100.00%	(6.79)	100.16%	703.33
31 March 2022	100.40%	9,900.02	100.24%	3,129.41	100.00%	3.91	100.24%	3,133.32
Subsidiaries:								
Kalptru Realty Private Limited								
31 March 2023	0.12%	12.65	0.00%	0.01	-	-	0.00%	0.01
31 March 2022	0.13%	12.64	-0.22%	(6.78)	-	-	-0.22%	(6.78)
Kamayani Facility Management Private Limited								
31 March 2023	0.37%	38.67	-0.18%	(1.28)	-	-	-0.18%	(1.28)
31 March 2022	0.41%	39.94	-0.02%	(0.63)	-	-	-0.02%	(0.63)
Vighanharta Estates Private Limited								
31 March 2023	0.10%	10.13	0.03%	0.18	-	-	0.03%	0.18
31 March 2022	0.10%	9.95	0.00%	0.14	-	-	0.00%	0.14
Total eliminations								
31 March 2023	-0.97%	(102.14)	0.00%	-	-	-	0.00%	-
31 March 2022	-1.04%	(102.14)	-0.01%	(0.27)	-	-	-0.01%	(0.27)
NCI in all subsidiaries	-	-	-	-	-	-	-	-
Total								
31 March 2023	100%	10,562.66	100%	709.03	100%	(6.79)	100%	702.24
31 March 2022	100%	9,850.41	100%	3,121.87	100%	3.91	100%	3,125.78

49. Other Statutory Information:

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property,
- (ii) The Group does not have any transactions with companies struck off,
- (iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (iv) The Group has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India,
- (v) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year,
- (vi) There is no scheme of arrangement that has been approved by the competent authority in terms of section 230 to 237 of the companies act 2013;
- (vii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or,
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries,
- (viii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) 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 ,
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (ix) The Group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

- 50.** The Supreme Court on 28 February 2019 has provided its judgment regarding inclusion of other allowances such as travel allowances, special allowances, etc within the expression 'basic wages' for the purpose of computation of contribution of provident fund under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 ('EPF Act'). There are interpretive challenges on the application of the Supreme Court Judgment including the period from which judgment would apply, consequential implications on resigned employees etc. Further, various stakeholders have also filed representations/ review petition with PF authorities and the Supreme Court respectively. All these factors raises significant uncertainty regarding the implementation of the Supreme Court Judgment.

Owing to the aforesaid uncertainty and pending clarification from regulatory authorities in this regard, the Group has recognized provision for the PF contribution on the basis of above mentioned order with effect from the order date. Further, the management believes that impact of aforementioned uncertainties before the order date on the financial statements of the Group should not be material.

51. Capital management

For the purpose of the Group's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the parent Group. The primary objective of the management of the Group's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may return capital to shareholders, raise new debt or issue new shares.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

PUREARTH**(All amounts in ₹ Lakhs unless otherwise stated)**

The Group monitors capital on the basis of the debt to equity ratio, which is calculated as interest-bearing debts divided by total equity.

Particulars	As at 31 March 2023	As at 31 March 2022
Borrowings	6,044.08	11,272.98
Less : Cash and cash equivalents	969.90	207.95
Adjusted net debt (A)	5,074.18	11,065.03
Total equity (B)	10,562.66	9,860.41
Adjusted net debt to adjusted equity ratio (A/B)	0.48	1.12

52. Previous year's figures have been regrouped/reclassified wherever necessary to conform current year classification. The impact of such reclassification/regrouping is not material to the financial statements.

For **Walker Chandio & Co. LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manish Agrawal
Partner
Membership No.: 507000
Place: New Delhi
Date: 8 May 2023

For and on behalf of the Board of Directors of
Purearth Infrastructure Limited

Sat Pal Khattar
Chairman
DIN: 00307293
Place: Singapore
Date: 8 May 2023

Sumant Bharat Ram
Director
DIN: 00052833
Place: New Delhi
Date: 8 May 2023

Sachin Kumar Gupta
Company Secretary
Place: New Delhi
Date: 8 May 2023

Ajay Khanna
Chief Financial Officer
Place: New Delhi
Date: 8 May 2023

Annexure -1

Form AOC-I for the financial year 2022-23

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part "A": Subsidiaries

(Amount in Lakhs)

1.	Sl. No.	1	2	3
2.	Name of the Subsidiary	Kalptru Realty Private Limited	Kamayani Facility Management Private Limited	Vighanharta Estates Private Limited
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N. A.	N. A.	N. A.
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N. A.	N. A.	N. A.
5.	Share capital	5.00	5.00	10.00
6.	Reserves & Surplus	7.65	33.67	0.13
7.	Total assets	1,119.43	330.13	10.31
8.	Total Liabilities	1,106.78	291.46	0.18
9.	Investments	Nil	Nil	Nil
10.	Turnover	6.39	Nil	Nil
11.	Profit before taxation	0.02	(1.25)	0.24
12.	Provision for taxation	0.01*	0.02#	0.06*
13.	Profit after taxation	0.01	(1.27)	0.18
14.	Proposed dividend	Nil	Nil	Nil
15.	% of shareholding	100%	100%	100%

*Current tax expense

#Deferred tax expense

- Names of subsidiaries which are yet to commence operations: Vighanharta Estates Private Limited is exploring business opportunities.
- Names of subsidiaries which have been liquidated or sold during the year: None

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Not Applicable

Sd/-
Sat Pal Khattar
Chairman
DIN: 00307293

Sd/-
Sumant Bharat Ram
Whole Time Director
DIN: 00052833

Sd/-
Ajay Khanna
Chief Financial Officer

Sd/-
Sachin Kumar Gupta
Company Secretary

Annexure – 2

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2023 which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name of Related Party	Nature of Relationship	Duration of Contract	Nature and salient terms of contracts/ arrangements / transactions	Amount (Rs. lakhs)
Kalptru Realty Private Limited	Subsidiary	Ongoing	Providing support to secondary market for Company's Projects and acquisition of / investments in real estates. (Refer note 1) - Brokerage expense - Amount received/(adjusted or refunded) during the year from sale of constructed properties - Advance given	6.38 407.69 342.45
DCM Limited	Investing Company	Ongoing	- Expense Reimbursement from - Property tax paid on the behalf of - Maintenance Income - Income of transfer charges from - Interest Income - Acquisition of residential units of Company - Amount received against receivables	3.38 0.60 9.12 0.38 207.45 185.85 23.20
Aggresar Leasing & Finance Pvt Ltd	Enterprises under the control of Key Management Personnel and their relatives	Ongoing	- Expense Reimbursement from - Property tax paid on the behalf of - Maintenance Income - Income of transfer charges from - Fitout Repair and Renovation Income - Amount received/(adjusted or refunded) during the year from sale of constructed properties - Amount received against receivables - Security Deposits received	0.43 0.19 2.71 0.15 2.17 57.98 21.42 1.05
Khattar Estates Private Limited	Enterprises under the control of Key Management Personnel and their relatives	Ongoing	- Property tax paid on the behalf of - Maintenance Income - Amount received/(adjusted or refunded) during the year from sale of constructed properties - Amount received against receivables	0.07 0.87 (30.61) 1.09
Atlantic Commercial Company Limited	Enterprises under the control of Key Management Personnel and their relatives	Ongoing	- Maintenance Income - Amount received/(adjusted or refunded) during the year from sale of constructed properties - Amount received against receivables	0.81 5.12 82.35

Name of Related Party	Nature of Relationship	Duration of Contract	Nature and salient terms of contracts/ arrangements / transactions	Amount (Rs. lakhs)
Shreshtha Real Estates Private Limited	Enterprises under the control of Key Management Personnel and their relatives	Ongoing	- Property tax paid on the behalf of	0.10
			- Maintenance Income	0.42
			- Income of transfer charges from	0.14
			- Amount received/(adjusted or refunded) during the year from sale of constructed properties	9.45
			- Amount received against receivables	1.23
Mr. Sumant Bharat Ram	Whole Time Director	Ongoing	- Property tax paid on the behalf of	0.29
			- Maintenance Income	2.48
			- Income of transfer charges from	0.08
			- Amount received/(adjusted or refunded) during the year from sale of constructed properties	18.41
			- Amount received against receivables	19.28
Mr. Sat Pal Khattar	Director	Ongoing	- Security Deposits received	1.91
			- Property tax paid on the behalf of	0.54
			- Maintenance Income	6.05
			- Amount received/(adjusted or refunded) during the year from sale of constructed properties	2.80
Mr. Rahil Bharat Ram	Director	Ongoing	- Amount received against receivables	7.67
			- Maintenance Income	0.31
			- Amount received/(adjusted or refunded) during the year from sale of constructed properties	14.75
Mr. Yuv Bharat Ram	Director	Ongoing	- Amount received against receivables	0.36
			- Property tax paid on the behalf of	0.07
			- Maintenance Income	0.98
			- Amount received/(adjusted or refunded) during the year from sale of constructed properties	17.50
			- Amount received against receivables	1.24

Note-1:

As per Memorandum of Understanding (MOU) between the Company and M/s. Kalptru Realty Private Limited (Kalptru) on 20-01-2008, modified on 11-03-2013, 04-04-2015 and further modified on 07-02-2019:

- (i) Company to provide an interest free advance to Kalptru for acquiring Projects bookings from the secondary market and/ or acquiring any rights in property from the Joint Development partner and any other immoveable property (ies) or making investment in real estate upto a maximum amount of Rs. 50.00 Crores at any point of time.
- (ii) Purearth to compensate Kalptru for services as follows: (i) Where Kalptru acquired the immoveable property(ies) / booking(s) and transfer the same to the Company on the acquisition value, the Company would pay up to a maximum of Rs. 25,000/- plus expenses incurred by Kalptru for acquiring that booking / property. (ii) Where Kalptru disposes off the immoveable property(ies) / booking(s) in the secondary market, Kalptru would get 5% of the profit so earned (sale consideration – acquisition cost) subject to a minimum of Rs. 25,000/- for each transaction.

The above is approved by the members of the Company in their Extraordinary General Meeting held on 20-07-2018 by special resolution.

For and on behalf of the Board of Directors

Sd/-
(Sat Pal Khattar)
Chairman
(DIN: 00307293)

Place: Singapore
Date: 08th May, 2023

Annexure – 3

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR THE FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2022

1. Brief outline on Corporate Social Responsibility (CSR) Policy of the company:

The Company has been financially and administratively contributing towards two Sr. Secondary Schools being run by the “DCM Educational Society” at Kishan Ganj, Delhi. Company is committed to provide financial and administrative assistance in ensuring quality education to children at the local level.

2. Composition of CSR Committee:

SI No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Yash Gupta	Independent Director	2	2
2	Mr. Satveer Singh Thakral*	Director	2	1
3	Mr. Rahil Bharat Ram*	Director	2	1

*Mr. Satveer Singh Thakral and Mr. Rahil Bharat Ram became members of CSR Committee on 10th August, 2022 and further, Mr. Sumant Bharat Ram, Whole Time Director, ceased to be member of CSR Committee due to its reconstitution by the Board of Directors of the Company in their meeting held on 10th August, 2022.

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: www.purearth.in
4. Provide the executive summary along with web-links(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. Not Applicable
5. (a) Average net profit of the company as per sub-section (5) of section 135. **INR 370.69 Lakhs**
 (b) Two percent of average net profit of the company as per section 135(5). **INR 7.41 Lakhs**
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. **Not Applicable**
 (d) Amount required to be set off for the financial year, if any: **Not Applicable**
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)].: **INR 7.41 Lakhs.**
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). **INR 47.41 Lakhs**
 (b) Amount spent in Administrative Overheads. **Not Applicable**
 (c) Amount spent on Impact Assessment, if applicable: **Not Applicable**
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **INR 47.41 Lakhs**
 (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (Rs. in Lakhs)	Amount Unspent (Rs. in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
47.41	NA	NA	NA	NA	NA

(f) Excess amount for set off, if any:

Sl. No.	Particular	Amount (Rs. in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	7.41
(ii)	Total amount spent for the Financial Year	47.41
(iii)	Excess amount spent for the financial year [(ii)-(i)]	40.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	40.00

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years: **Not Applicable**

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. in Lakhs)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (Rs. in Lakhs)	Amount spent in the Financial Year (Rs. in Lakhs).	Amount transferred to a fund as specified under Schedule VII as per second proviso to section 135(5), if any.		Amount remaining to be spent in succeeding financial years (Rs. in Lakhs)	Deficiency, if any
					Amount (Rs. in Lakhs)	Date of transfer		
Not Applicable								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). **Not Applicable**

Sd/-
Mr. Yash Gupta
Chairman of CSR Committee
DIN: 00299621

Sd/-
Mr. Sumant Bharat Ram
Whole Time Director
DIN: 00052833

Annexure – 4

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023
[Pursuant to section 204(1) of the Companies Act, 2013
and rule No.9 of the Companies (Appointment and
Remuneration Personnel)
Rules, 2014]

To,
The Members,
PUREARTH INFRASTRUCTURE LIMITED
Central Square, 20,
Manohar Lal Khurana Marg,
Bara Hindu Rao, Central Delhi
Delhi- 110006.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Purearth Infrastructure Limited, (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, e-Forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, e-forms and returns filed and other records maintained by Purearth Infrastructure Limited ("the Company") for the financial year ended on 31st March, 2023, to the extent made available to me, according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made there under;
- 2) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 3) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;
- 4) As per our discussion with the management and based on the compliance certificates placed before the Board in respect of the following other Acts:
 - a) The Environment (Protection) Act, 1986 and the rules made thereunder;
 - b) The Air (Prevention of Control of Pollution) Act, 1981 and the rules made thereunder;
 - c) The Water (Prevention & Control of Pollution) Act, 1974 and the rules made thereunder;
 - d) Contract Labour (Regulation and Abolition) Act, 1970 and the rules made thereunder;

- e) Minimum Wages Act, 1948 which are applicable to the Company, necessary compliances have been made by the Company during the year under report.
- 5) Secretarial Standards I & II as issued by The Institute of Company Secretaries of India.
- 6) The Company is closely held public limited company, hence provisions of the Securities Contracts (Regulation) Act, 1956 and various Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act) are not applicable to the Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance of the Companies Act read with relevant rules, Acts and regulations as stated above. We further report that during the year under review :

1. The Members of the Company at their Annual General Meeting held on 27th day of September, 2022 had approved the Re-appointment of Mr. Sumant Bharat Ram, Whole Time Director of the Company for a period of 3 years commencing from 1st April, 2022.
2. Further, the Members of Company at the Extra-Ordinary general Meeting held on 9th day of January, 2023 had approved the ratification/restructuring of remuneration of Mr. Sumant Bharat Ram, Whole Time Director of the Company, for the period commencing from 1st July, 2022 to 30th November, 2022 and further with effect from 1st December, 2022.

**For Pragnya Pradhan & Associates
Company Secretaries**

(Pragnya Parimita Pradhan)
ACS No. 32778
C P No.: 12030

Place: New Delhi
Date: 08.05.2023

UDIN: A032778E000272655
Peer Review No: 1564/2021

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

The Members,
PUREARTH INFRASTRUCTURE LIMITED
Central Square, 20,
Manohar Lal Khurana Marg,
Bara Hindu Rao, Central Delhi
Delhi- 110006.

Our report of even date is to be read along with this letter.

- 1) Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure the correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- 4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Pragnya Pradhan & Associates
Company Secretaries

(Pragnya Parimita Pradhan)
ACS No. 32778
C P No.: 12030
UDIN: A032778E000272655
Peer Review No: 1564/2021

Place: New Delhi
Date: 08th May 2023

Details of Meetings during the Financial Year 2022-23

Board Meeting

Meetings held on 26th May, 2022, 10th August, 2022, 10th November, 2022, 06th February, 2023 and 30th March, 2023			
Sr. No.	Name of Director	No. of meetings held	No. of meetings attended
1	Mr. Sat Pal Khattar	5	5
2	Mr. Karan Singh Thakral	5	5
3	Mr. Sumant Bharat Ram	5	5
4	Mr. Yash Gupta	5	4
5	Mrs. Chitra Gouri Lal	5	5
6	Mr. Navin Khattar	5	5
7	Mr. Satveer Singh Thakral (Alternate Director to Mr. Kartar Singh Thakral)	5	5
8	Mr. Yuv Bharat Ram	5	5
9	Mr. Rahil Bharat Ram	5	5

Audit Committee

Meetings held on 26th May, 2022, 10th August, 2022, 10th November, 2022, 06th February, 2023 and 30th March, 2023			
Sr. No.	Name of Director	No. of meetings held	No. of meetings attended
1	Mr. Yash Gupta	5	5
2	Mr. Karan Singh Thakral	5	5
3	Mr. Yuv Bharat Ram	5	5
4	Mrs. Chitra Gouri Lal	5	5

Nomination and Remuneration Committee

Meetings held on 26th May, 2022, 10th November, 2022 and 06th February, 2023			
Sr. No.	Name of Director	No. of meetings held	No. of meetings attended
1	Mr. Yash Gupta	3	3
2	Mr. Karan Singh Thakral	3	3
3	Mr. Sumant Bharat Ram	3	3

Corporate Social Responsibility (CSR) Committee

Meetings held on 26th May, 2022 and 10th August, 2022			
Sr. No.	Name of Director	No. of meetings held	No. of meetings attended
1	Mr. Yash Gupta	2	2
2	Mr. Sumant Bharat Ram	1	1
3	Mr. Satveer Singh Thakral	1	1
4	Mr. Rahil Bharat Ram	1	1

*CSR Committee was reconstituted on 10th August, 2022 by the Board of Directors of the Company.

Executive Committee

Meetings held on 12th April, 2022, 13th June, 2022, 15th July, 2022, 13th September, 2022, 14th October, 2022, 13th December, 2022, 16th January, 2023 and 13th March, 2023.			
Sr. No.	Name of Director	No. of meetings held	No. of meetings attended
1	Mr. Sat Pal Khattar	8	8
2	Mr. Karan Singh Thakral	8	8
3	Mr. Sumant Bharat Ram	8	8

For and on behalf of the Board of Directors

Sd/-
(Sat Pal Khattar)
Chairman
(DIN: 00307293)

Place: Singapore
Date: 08th May, 2023

ATTENDANCE SLIP

30th Annual General Meeting – 27th September, 2023

Folio No. / DP ID/ Client ID No.	
Name of First Named Member / Proxy/ Authorised Representative	
Name of Joint Member(s), if any:	
No. of Shares held	

I / we certify that I/we am/are member(s) / proxy for / the member(s) of the Company.

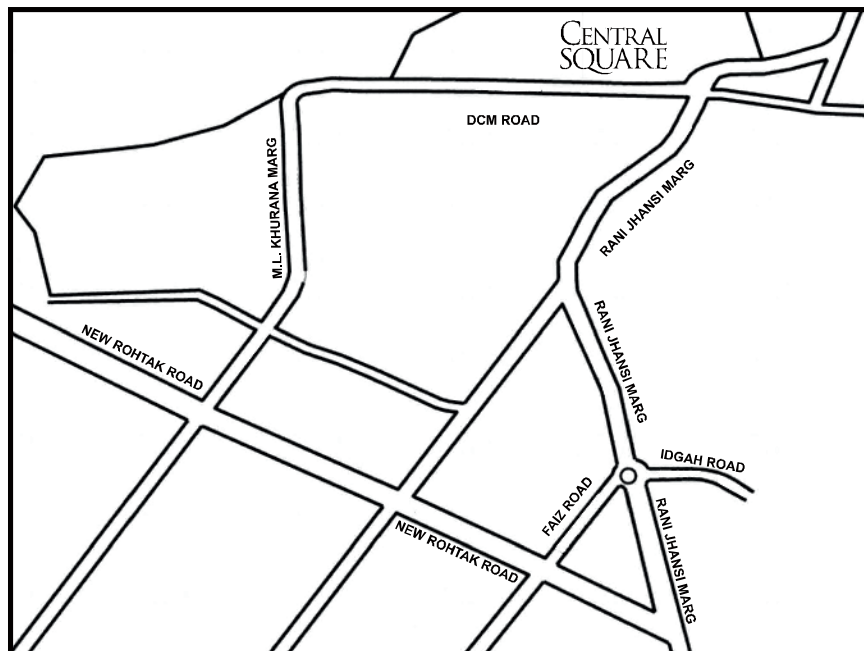
I/we hereby record my/our presence at the 30th Annual General Meeting of the Company being held on Wednesday, 27th September, 2023 at 11.00 a.m. at Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi- 110006.

Signature of First holder/Proxy/ Authorized Representative	
Signature of 1st Joint Holder	
Signature of 2nd Joint Holder	

Note(s):

1. Please sign this attendance slip and hand it over at the Attendance Verification Counter at the MEETING VENUE.
2. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.

ROUTE MAP



Form No. MGT - 11
Proxy Form

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014)

CIN: U45202DL1991PLC046111

Name of the Company: Purearth Infrastructure Limited

Registered Office: Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi – 110006

Name of the member(s):
Registered Address:
E-mail ID:
Folio No. / Client ID:
DP ID:

I/We, being the member (s) of _____ equity shares of the above-named company, hereby appoint

- 1. Name:.....
Address:.....
E-mail Id:.....
Signature:....., or failing him
2. Name:.....
Address:.....
E-mail Id:.....
Signature:....., or failing him
3. Name:.....
Address:.....
E-mail Id:.....
Signature:.....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 30th Annual General Meeting of the
Company, to be held on Wednesday, 27th September, 2023 at 11.00 a.m. at Central Square, 20, Manohar Lal Khurana Marg,
Bara Hindu Rao, Delhi- 110006 and at any adjournment thereof in respect of such resolutions as set out in the Notice convening
the Annual General Meeting, as are indicated below:

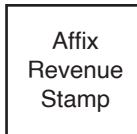
Resolution No.:

- 1. Adoption of the Audited Financial Statements including Consolidated Financial Statements of the Company for the financial year
ended 31st March, 2023 together with Auditors' Report(s) and Directors' Report thereon;
2. Appointment of Mr. Sat Pal Khattar who retires by rotation and, being eligible, offers himself for re-appointment;
3. Appointment of Mr. Rahil Bharat Ram who retires by rotation and, being eligible, offers himself for re-appointment;
4. Approve and ratify the appointment/remuneration of cost auditors;
5. Approve payment of a sum of Rs. 50 Lakhs as one time ex-gratia payment to Mr. Sumant Bharat Ram, Whole Time Director;
6. Approve payment of performance based bonus to Mr. Sumant Bharat Ram, Whole Time Director, of a sum not exceeding
Rs. 1.00 Crore as may be decided by the Board of Directors of the Company for the financial year 2023-24 and 2024-25;
7. Approve granting further an extension of repayment period of the book debts and interest accrued/to be accrued payable by
DCM Limited to the Company by 18 months.

Signed this _____ day of _____, 2023

Signature of Shareholder

Signature of Proxy holder(s)



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the
Company, not less than 48 hours before the commencement of the Meeting.