

Godrej Hillside Properties Private Limited

Ind AS Financial Statements
together with the
Independent Auditors' Report
for the year ended 31 March 2018

Godrej Hillside Properties Private Limited

Ind AS Financial statements together with the Independent Auditors' Report

for the year ended 31 March 2018

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Independent Auditors' Report

To the Members of Godrej Hillside Properties Private Limited

Report on the audit of the Ind AS financial statements

We have audited the accompanying Ind AS financial statements of Godrej Hillside Properties Private Limited ('the Company'), which comprise the balance sheet as at 31 March 2018, the Statement of profit and loss (including other comprehensive income), the Statement of changes in equity and the Statement of cash flows for the year then ended, and summary of the significant accounting policies and other explanatory information (collectively referred to as the 'Ind AS financial statements').

Management's responsibility for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.



Independent Auditors' Report (Continued)

Godrej Hillside Properties Private Limited

Auditors' responsibility (Continued)

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31 March 2018, its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Other Matters

The comparative financial statements of the Company as at and for the year ended 31 March 2017 included in these Ind AS financial statements, are based on the previously issued Ind AS financial statements prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act and audited by Kalyaniwalla & Mistry LLP for the year ended 31 March 2017 whose report dated 03 May, 2017 expressed an unmodified opinion on those Ind AS financial statements.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of 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 said Order.



Independent Auditors' Report (*Continued*)

Godrej Hillside Properties Private Limited

Report on other legal and regulatory requirements (*Continued*)

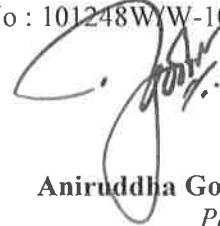
2. As required by Section 143 (3) of the Act, we report that:

- (a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this report are in agreement with the books of account;
- (d) in our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act;
- (e) the Company is exempted from the requirements of its auditor reporting on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls (clause (i) of Section 143(3) of the Act);
- (f) on the basis of written representations received from the directors as on 31 March 2018, and taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2018, from being appointed as a director in terms of Section 164 (2) of the Act; and
- (g) with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. the Company does not have any pending litigations which could impact its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - iv. the disclosure requirement as envisaged in Notification G.S.R 308 (e) dated March 30, 2017 is not applicable to the Company- Refer Note 23 to the Ind AS financial statements.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No : 101248W/W-100022



Aniruddha Godbole

Partner

Membership No: 105149

Mumbai
2 May 2018

Godrej Hillside Properties Private Limited


Annexure A to the Independent Auditors' Report – 31 March 2018

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2018, we report the following:

- (i) The Company neither owns any property, plant and equipment nor has purchased any property, plant and equipment during the year. Accordingly, paragraphs 3 (i) (a), (b) and (c) of the Order are not applicable to the Company.
- (ii) The Company does not hold any inventory. Accordingly, paragraph 3 (ii) of the Order is not applicable to the Company.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register required to be maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraphs 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us and based on the audit procedures conducted by us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to investments made by the Company. The Company has not advanced any loans or provided any guarantees or security during the year to the parties covered under Sections 185 and 186 of the Act. Accordingly, compliance under Section 185 and 186 of the Act in respect of advancing loans, providing guarantees and providing securities is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub-section 1 of Section 148 of the Act for any of the activities carried out by the Company. Accordingly, paragraph 3 (vi) of the Order is not applicable to the Company.
- (vii)(a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Income-tax, Service tax, Goods and Service tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Provident fund, Employees' State Insurance, Sales tax, Value added tax, Professional tax, Duty of excise and Duty of customs.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Service tax, Goods and Service tax, Cess and other material statutory dues were in arrears as at 31 March 2018 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 dues of Income tax, Service Tax and Goods and Service tax which have not been deposited with the appropriate authorities on account of any dispute.

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- (viii) The Company does not have any loans or borrowings from government or outstanding dues to any financial institutions or banks or dues to debenture holders during the year. Accordingly, paragraph 3 (viii) of the Order is not applicable to the Company.

Godrej Hillside Properties Private Limited

Annexure A to the Independent Auditors' Report – 31 March 2018 (Continued)

- (ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration during the year. Accordingly, paragraph 3 (xi) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as specified in Nidhi Rules, 2014. Accordingly, paragraph 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, the Company has entered into transactions with related parties in compliance with the section 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015. Further the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, paragraph 3 (xiii) of the Order is not applicable to the Company.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.



Godrej Hillside Properties Private Limited

Annexure A to the Independent Auditors' Report – 31 March 2018 (Continued)

- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

Mumbai
2 May 2018

For BSR & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022



Aniruddha Godbole
Partner
Membership No: 105149

Godrej Hillside Properties Private Limited

Balance Sheet

as at March 31, 2018

(Currency in INR Thousands)

Particulars	Note	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-Current Assets			
Financial Assets			
Investments	2	70.20	3,686.30
Income Tax Assets (Net)		-	2.97
Total Non-Current Assets		70.20	3,689.27
Current Assets			
Financial Assets			
Investments	3	1,121.68	1,051.39
Cash and Cash Equivalents	4	115.74	322.69
Other Current Non Financial Assets	5	0.02	-
Total Current Assets		1,237.44	1,374.08
TOTAL ASSETS		1,307.64	5,063.35
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	6	4,100.00	4,100.00
Other Equity	7	(3,020.74)	880.81
Total Equity		1,079.26	4,980.81
LIABILITIES			
Non-Current Liabilities			
Deferred Tax Liabilities (Net)	8	21.49	13.36
Total Non-Current Liabilities		21.49	13.36
Current Liabilities			
Financial Liabilities			
Borrowings	9	5.06	-
Trade Payables	10	56.34	63.00
Other Current Financial Liabilities	11	138.99	0.18
Other Current Non Financial Liabilities	12	6.50	6.00
Total Current Liabilities		206.89	69.18
TOTAL EQUITY AND LIABILITIES		1,307.64	5,063.35

Significant Accounting Policies

1

The accompanying notes 1 to 27 form an integral part of the Financial Statements.

As per our report of even date.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022



ANIRUDDHA GODBOLE

Partner

Membership Number: 105149

Mumbai

May 02, 2018

For and on behalf of the Board of Directors of
Godrej Hillside Properties Private Limited



KARAN SINGH BOLARIA

Director

DIN: 06618461



ANUBHAV GUPTA

Director

DIN: 07589364

Mumbai

May 02, 2018

Godrej Hillside Properties Private Limited

Statement of Profit and Loss

for the year ended March 31, 2018

(Currency in INR Thousands)

Particulars	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
INCOME			
Revenue from Operations	13	-	1,032.54
Other Income	14	70.29	131.14
Total Income		70.29	1,163.68
EXPENSES			
Finance Costs	15	0.07	-
Other Expenses	16	270.25	92.90
Total Expenses		270.32	92.90
(Loss)/Profit Before Tax		(200.03)	1,070.78
Tax Expense			
Current Tax	8(b)	7.29	-
Deferred Tax Charge	8(a)	8.13	13.36
Total Tax Expenses		15.42	13.36
(Loss)/Profit for the Year		(215.45)	1,057.42
Other Comprehensive Income			
Items that will not be subsequently reclassified to profit or loss		-	-
Other Comprehensive Income for the year (Net of Tax)		-	-
Total Comprehensive Income for the Year		(215.45)	1,057.42
Earnings Per Equity Share (Amount in INR)			
Basic	17	(0.53)	2.58
Diluted	17	(0.53)	2.58
Significant Accounting Policies	1		

The accompanying notes 1 to 27 form an integral part of the Financial Statements.

As per our report of even date.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022




ANIRUDDHA GODBOLE

Partner

Membership Number: 105149

Mumbai
May 02, 2018

For and on behalf of the Board of Directors of
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KARAN SINGH BOLARIA

Director

DIN: 06618461

Mumbai
May 02, 2018



ANUBHAV GUPTA

Director

DIN: 07589364

Godrej Hillside Properties Private Limited

Statement of Changes in Equity

for the year ended March 31, 2018

(Currency in INR Thousands)

a) Equity Share Capital

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at the beginning of the year	4,100.00	4,100.00
Changes in equity share capital during the year	-	-
Balance at the end of the year	<u>4,100.00</u>	<u>4,100.00</u>

b) Other Equity

Particulars	Reserves and Surplus		Total
	Capital Reserve	Retained Earnings	
Balance as at April 01, 2016	-	(176.61)	(176.61)
Total Comprehensive Income:			
i) Profit for the Year		1,057.42	1,057.42
Balance as at March 31, 2017	-	<u>880.81</u>	<u>880.81</u>
Total Comprehensive Income:			
i) (Loss) for the Year	-	(215.45)	(215.45)
Adjustments:			
i) On amalgamation (Refer Note 2(i))	(3,686.10)	-	(3,686.10)
Balance as at March 31, 2018	<u>(3,686.10)</u>	<u>665.36</u>	<u>(3,020.74)</u>

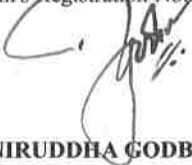
The accompanying notes 1 to 27 form an integral part of the Financial Statements.

As per our report of even date.

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022



ANIRUDDHA GODBOLE

Partner

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Mumbai

May 02, 2018

For and on behalf of the Board of Directors of
Godrej Hillside Properties Private Limited



KARAN SINGH BOLARIA

Director

DIN: 06618461

Mumbai

May 02, 2018



ANUBHAV GUPTA

Director

DIN: 07589364

Godrej Hillside Properties Private Limited

Statement of Cash Flows

for the year ended March 31, 2018

(Currency in INR Thousands)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash Flow from Operating Activities		
(Loss)/ Profit before Tax	(200.03)	1,070.78
Adjustment for:		
Finance Costs	0.07	-
Interest Income	-	(29.75)
Profit on sale of Investment	-	(60.98)
Income from Investment measured at FVTPL	(70.29)	(40.41)
Operating (Loss)/ Profit before working capital changes	(270.25)	939.64
Changes in working capital:		
Increase in Non Financial Liabilities	0.50	-
Increase in Financial Liabilities	132.15	0.30
(Increase) in Non Financial Assets	(0.02)	-
	132.63	0.30
Taxes Paid (Net)	(4.32)	(2.97)
Net Cash Flows (used in)/ generated from Operating activities	(141.94)	936.97
Cash Flow from Investing Activities		
(Purchase) of Mutual Funds (Net)	-	(951.87)
Investment in Companies/ LLP	(70.00)	-
Interest Received	-	29.75
Net Cash Flows (used in) Investing Activities	(70.00)	(922.12)
Cash Flow from Financing Activities		
Proceeds from Short Term Borrowings (net)	5.00	-
Interest Paid	(0.01)	-
Net Cash Flows generated from Financing Activities	4.99	-
Net (Decrease)/ Increase in Cash and Cash Equivalents	(206.95)	14.85
Cash and Cash Equivalents -Opening Balance	322.69	307.84
Cash and Cash Equivalents -Closing Balance	115.74	322.69

Notes :

- The above statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) -7 "Cash Flow Statement".
- Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes:

Reconciliation of liabilities arising from financing activities				
Particulars	As at April 01, 2017	Changes as per Statement of Cash Flows	Non Cash Changes	As at March 31, 2018
Short-term borrowings	-	5.00	-	5.00

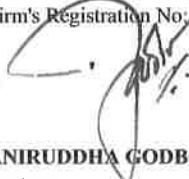
The accompanying notes 1 to 27 form an integral part of the Financial Statements.

As per our report of even date.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022



ANIRUDDHA GODBOLE

Partner


Membership Number: 105149

Mumbai

May 02, 2018

For and on behalf of the Board of Directors of

Godrej Hillside Properties Private Limited



KARAN SINGH BOLARIA

Director

DIN: 06618461

Mumbai

May 02, 2018



ANUBHAV GUPTA

Director

DIN: 07589364

Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements

for the year ended March 31, 2018

Note 1

I. Company Overview

Godrej Hillside Properties Private Limited (“the Company”), having CIN: U70102MH2015PTC263237 is engaged primarily in the business of real estate construction, development and other related activities. The Company is a private limited Company incorporated and domiciled in India having its registered office at Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli, Mumbai-400079.

II. Basis of preparation and measurement

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 (“the 2013 Act”) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, and the relevant provisions and amendments, as applicable. The Financial Statements have been prepared on accrual basis under the historical cost convention except certain financial instruments measured at fair value.

The Financial Statements of the Company for the year ended March 31, 2018 were approved by the Board of Directors and authorised for issue on May 02, 2018.

a) Operating cycle

The normal operating cycle in respect of operation relating to under construction real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed and realization of project into cash and cash equivalents and range from 3 to 7 years. Accordingly, project related assets and liabilities have been classified into current and non-current based on operating cycle of respective projects. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

b) Functional and Presentation Currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest thousand, unless otherwise stated.

c) Use of Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires the use of estimates, judgements and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2018

II. Basis of preparation and measurement (*Continued*)

c) Use of Estimates and Judgements (*Continued*)

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

- *Evaluation of percentage completion for the purpose of revenue recognition*

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the financial statements for the period in which such changes are determined.

Fair value measurement of financial instruments

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

- *Recognition of deferred tax asset*

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

- *Provisions and Contingencies*

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

d) Standards issued but not yet effective

Ind AS 115 - Revenue from Contracts with Customer (the new revenue recognition standard) has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and will be effective from April 01, 2018. Hence, from April 01, 2018, revenue recognition of the Company shall be driven by this standard.



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

II. Basis of preparation and measurement (Continued)

d) Standards issued but not yet effective (Continued)

Ind AS 115 provides guidance on how the entity shall recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This accounting change will bring about significant changes in the way companies recognise, present and disclose their revenue.

The Company is currently evaluating the effect of this standard.

e) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

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

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

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

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

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

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



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2018

III. Significant Accounting Policies

a. Impairment of non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment cost is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of profit and loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and the value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of profit and loss, to the extent the amount was previously charged to the Statement of profit and loss. In case of revalued assets, such reversal is not recognised.

b. Financial instruments

I. Financial Assets

Classification

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

Initial recognition and measurement

The Company recognises financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For the purpose of subsequent measurement, the financial assets are classified in three categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through profit or loss
- Equity investments

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2018

III. Significant Accounting Policies (*Continued*)

b. Financial instruments (*Continued*)

I. Financial Asset

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of profit and loss. The losses arising from impairment are recognised in the Statement of profit and loss.

Debt instruments at Fair Value through Profit or Loss

Debt instruments included in the fair value through profit or loss (FVTPL) category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments

All equity investments other than investment in subsidiaries, joint venture and associate are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and loss.

Derecognition

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

- (a) The rights to receive cash flows from the asset have expired, or
- (b) the Company has transferred substantially all the risks and rewards of the asset, or
- (c) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Company applies 'simplified approach' based measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss at each reporting date, right from its initial recognition.



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2018

III. Significant Accounting Policies (*Continued*)

b. Financial instruments (*Continued*)

II. Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost.

Initial recognition and measurement

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

Loans and borrowings

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and transactions costs. The EIR amortisation is included as finance costs in the Statement of profit and loss.

This category generally applies to loans and borrowings.

Derecognition

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

Offsetting of financial instruments

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

III Share Capital

Ordinary equity shares

Incremental costs directly attributable to the issue of ordinary equity shares, are recognised as a deduction from equity.



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (*Continued*) for the year ended March 31, 2018

III. Significant Accounting Policies (*Continued*)

c. Revenue recognition

The Company is following the "Percentage of Completion Method" of accounting. As per this method, income from property development is recognised in Statement of profit and loss in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the Company on transfer of significant risk and rewards to the buyer.

In accordance with the "Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable)", construction revenue on such projects, measured at the fair value (i.e. adjusted for discounts, incentives, time value of money adjustments etc.), have been recognised based on percentage of completion method provided the following thresholds have been met:

- (a) All critical approvals necessary for the commencement of the project have been obtained;
- (b) The expenditure incurred on construction and development costs is not less than 25 per cent of the total estimated construction and development costs;
- (c) At least 25 percent of the saleable project area is secured by contracts or agreements with buyers; and
- (d) At least 10 percent of the contract consideration is realised at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognised in the financial statements for the period in which such changes are determined. Revenue from projects is recognised net of revenue attributable to the land owners. Expected losses, if any, are fully provided for immediately.

Interest income is accounted on an accrual basis at effective interest rate.

Share of Profits in LLP is recognised when the right to receive the same is established.

d. Income tax

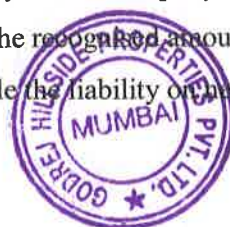
Income tax expense comprises current tax and deferred tax. It is recognised in Statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

Current tax

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

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) Intends either to realise the asset and settle the liability on a net basis or simultaneously.



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2018

III. Significant Accounting Policies (*Continued*)

d. Income tax (*Continued*)

Deferred tax

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

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent there is convincing evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

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

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

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

Deferred tax assets and liabilities are offset only if:

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

Minimum Alternative Tax (MAT)

MAT credit is recognised as a deferred tax asset only when and to the extent there is a convincing evidence that the Company will pay normal tax during specified period. MAT credit is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

e. Borrowing Costs

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

Borrowing costs, pertaining to development of long term projects, are transferred to Construction work in progress, as part of the cost of the projects upto the time all the activities necessary to prepare these projects for its intended use or sale are complete.

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



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2018

III. Significant Accounting Policies (*Continued*)

f. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

g. Earnings per share

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

h. Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the notes. Contingent liabilities are disclosed for

- (1) possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- (2) 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.

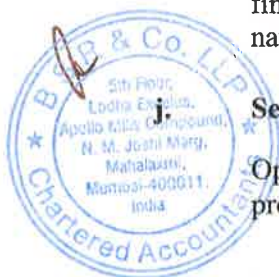
Contingent assets are not recognised in the financial statements. However, the same are disclosed in the financial statements where an inflow of economic benefit is probable.

i. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted with the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2018

(Currency in INR Thousands)

	March 31, 2018	March 31, 2017
2 Investments - Non current		
a) Investments in Equity Instruments (Fully Paid up unless stated otherwise)		
Investments in Unquoted Equity Instruments (At Fair Value Through Profit or Loss)		
Nil (Previous Year 368,630) Equity Shares of INR 10/- each of Godrej Vikhroll Properties India Limited (refer note (l) below)	-	3,686.30
5,000 (Previous Year: Nil) Equity Shares of INR 10/- each of Godrej Home Developers Private Limited	50.00	-
b) Investments in Preference Shares (Fully paid Up unless stated otherwise) (At Amortised Cost)		
10 (Previous Year: Nil) 7% Redeemable Non-cumulative Preference Shares of INR 10/- each of Godrej Green Homes Limited (Refer Note (l) below)	0.10	-
10 (Previous Year: Nil) 7% Redeemable Non-cumulative Preference Shares of INR 10/- each of Godrej Highrises Properties Private Limited (Refer Note (l) below)	0.10	-
c) Investments in Limited Liability Partnership		
Godrej Highrises Realty LLP	10.00	-
Godrej Land Developers LLP	10.00	-
	<u>70.20</u>	<u>3,686.30</u>
Aggregate book value of Unquoted instruments and Market Value thereof	70.20	3,686.30
(i) During the year, Godrej Vikhroli Properties India Limited (GVPIL) has merged with Godrej Properties Limited (Holding Company) w.e.f. 01 April 2017 vide National Law Company Tribunal order dated 30 November 2017. Consequent to the merger, GVPIL ceases to exist. The Company had entered into an arrangement with the holding company for cancellation of its investments in GVPIL aggregating to Rs. 3,686.30 thousands as a consequence of the merger and has received 7% Redeemable Non-Cumulative preference shares of INR 0.10 thousands each from Godrej Highrises Properties Private Limited (GHRPPL) and Godrej Green Homes Limited (GGHL), aggregating to Rs. 0.20 thousands, in exchange as per merger order. The difference between the value of equity instrument cancelled and 7% preference shares received of GGHL and GHRPPL, amounting to Rs. 3,686.10 thousands has been transferred to capital reserve.		
3 Investments - Current		
Quoted		
Investment in Mutual Funds carried at Fair Value through Profit or Loss	1,121.68	1,051.39
	<u>1,121.68</u>	<u>1,051.39</u>
Market Value of Quoted Investments		
Aggregate book value of Quoted Investments and Market Value thereof	1,121.68	1,051.39
4 Cash and Cash Equivalents		
Balance With Banks		
In Current Accounts	115.74	322.69
	<u>115.74</u>	<u>322.69</u>
5 Other Current Non Financial Assets		
Balances with Government Authorities	0.02	-
	<u>0.02</u>	<u>-</u>



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2018

(Currency in INR Thousands)

	March 31, 2018	March 31, 2017
6 Share Capital		
a) Authorised :		
410,000 Equity Shares of INR 10/- each (Previous Year 410,000 Equity Shares of INR 10/- each)	4,100.00	4,100.00
	<u>4,100.00</u>	<u>4,100.00</u>
b) Issued, Subscribed and Paid Up:		
410,000 Equity Shares of INR 10/- each (Previous Year 410,000 Equity Shares of INR 10/- each)	4,100.00	4,100.00
	<u>4,100.00</u>	<u>4,100.00</u>
c) Reconciliation of number of shares outstanding at the beginning and end of the year :		

Equity Shares :	March 31, 2018		March 31, 2017	
	No. of Shares	INR (In Thousands)	No. of Shares	INR (In Thousands)
Outstanding at the beginning of the year	410,000	4,100.00	410,000	4,100.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	410,000	4,100.00	410,000	4,100.00

d) Shareholding Information

	March 31, 2018	March 31, 2017
Equity Shares are held by:		
Godrej Properties Limited (Holding Company)	409,999	409,999
Godrej Projects Development Limited (Formerly known as Godrej Projects Development Private Limited) (Subsidiary of Godrej Properties Limited)	1	1

e) Rights, preferences and restrictions attached to Equity shares

The Company has only one class of equity shares having a par value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

f) Shareholders holding more than 5% shares in the company:

Particulars	March 31, 2018		March 31, 2017	
	No. of Shares	%	No. of Shares	%
Equity shares				
Godrej Properties Limited (Holding Company)	409,999	100%	409,999	100%

7 Other Equity

i) Capital Reserves	(3,686.10)	-
ii) Retained Earnings	665.36	880.81
	<u>(3,020.74)</u>	<u>880.81</u>
i) Capital Reserve		
Capital Reserve is created on account of Amalgamation (Refer note 2(i))		

ii) Retained Earnings

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



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2018

(Currency in INR Thousands)

8 Deferred Tax Assets/ (Liabilities) and Tax Expense

a) Movement in Deferred Tax Balances

Particulars	Net Balance as at	Movement during the year		As at March 31, 2018
	April 01, 2017	Recognised in Profit or Loss	Recognised in OCI	Deferred Tax Assets/ (Liabilities)
Deferred Tax Asset/(Liabilities)				
MAT Credit	-	7.29	-	7.29
Mutual Funds	(13.36)	(15.42)	-	(28.78)
Deferred Tax Assets/(Liabilities)	(13.36)	(8.13)	-	(21.49)

Particulars	Net Balance as at	Movement during the year		As at March 31, 2017
	April 01, 2016	Recognised in Profit or Loss	Recognised in OCI	Deferred Tax (liabilities)
Deferred Tax (Liabilities)				
Mutual Funds	-	(13.36)	-	(13.36)
Deferred Tax (Liabilities)	-	(13.36)	-	(13.36)

b) Amounts recognised in Profit and Loss

Particulars	March 31, 2018	March 31, 2017
Current Tax	7.29	-
Current Tax	-	-
Tax Adjustment of Prior Years	7.29	-
Deferred Tax Charge	8.13	13.36
Deferred Income Tax	8.13	13.36
Tax Expense for the year	15.42	13.36

c) Reconciliation of Effective Tax Rate

Particulars	March 31, 2018	March 31, 2017
(Loss)/ Profit Before Tax	(200.03)	1,070.78
Tax rate	26.00%	33.063%
Tax using the Company's domestic tax rate	(52.01)	354.03
Tax effect of:		
Non-deductible Expenses	(1.29)	(1.65)
Tax-exempt Income	-	(341.39)
Change in Tax rate	(2.85)	-
Brought forward losses*	71.58	2.37
Tax expense recognised	15.42	13.36

*As per the Ind AS 12, "income taxes", the Company would have deferred tax assets of INR 71.58 thousands (Previous year: INR 2.37 thousands). However, in view of carried forward business losses, the net deferred tax assets of INR 71.58 thousands (Previous year: INR 2.37 thousands) are not recognized, as they were not considered to be virtually certain of realisation.



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2018

(Currency in INR Thousands)

March 31, 2018

March 31, 2017

9 Borrowings (Current)

	Interest Rate		
Unsecured Loans			
Loan from Related party (Refer Note (a))	8% -9%	5.06	-
		5.06	-

(a) Unsecured Loan is taken from Related Party, bearing interest @ 8% p.a to 9% p.a (Previous Year Nil%) and is repayable on demand.

10 Trade Payables (Current)

Dues to Micro and Small Enterprises	-	-
Others	56.34	63.00
	<u>56.34</u>	<u>63.00</u>

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue as on March 31, 2018 and March 31, 2017 to Micro, Small and Medium Enterprises on account of principal or interest.

11 Other Current Financial Liabilities

Share of Loss from LLPs	138.81	-
Other Liabilities	0.18	0.18
	<u>138.99</u>	<u>0.18</u>

12 Other Current Non Financial Liabilities

Statutory Dues	6.50	6.00
	<u>6.50</u>	<u>6.00</u>



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Thousands)

	March 31, 2018	March 31, 2017
13 Revenue from Operations		
Other Operating Revenues		
Share of Profit in Limited Liability Partnerships	-	1,032.54
	-	1,032.54
14 Other Income		
Interest Income	-	29.75
Income from Investment measured at FVTPL	70.29	40.41
Profit on sale of Investment	-	60.98
	70.29	131.14
15 Finance Costs		
Interest Expense	0.07	-
	0.07	-
16 Other Expenses		
Consultancy Charges	80.84	19.55
Rates and Taxes	-	0.96
Share of Loss from LLPs	138.81	-
Other Expenses*	50.60	72.39
	270.25	92.90

* includes payment to auditors amounting to INR 50.00 thousands (previous year INR 60.00 thousands) (refer note 21).



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Thousands)

17 Earnings Per Share

a) Basic Earnings Per Share

The calculation of basic earnings per share is based on the (loss)/ profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding.

(i) (Loss)/ Profit attributable to ordinary shareholders (basic)

	March 31, 2018	March 31, 2017
(Loss)/ Profit for the year, attributable to ordinary shareholders of the Company	(215.45)	1,057.42
	<u>(215.45)</u>	<u>1,057.42</u>

(ii) Weighted average number of ordinary shares (basic)

Number of Equity Shares at the beginning of the year	410,000	410,000
	<u>410,000</u>	<u>410,000</u>

Basic Earnings Per Share (in INR) (0.53) 2.58

b) Diluted Earnings Per Share

The calculation of diluted earnings per share is based on the (loss)/ profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

(i) (Loss)/ Profit attributable to ordinary shareholders (diluted)

(Loss)/ Profit for the year, attributable to ordinary shareholders of the Company	(215.45)	1,057.42
	<u>(215.45)</u>	<u>1,057.42</u>

(ii) Weighted average number of ordinary shares (diluted)

Weighted Average number of Equity shares outstanding (diluted)	410,000	410,000
	<u>410,000</u>	<u>410,000</u>

Diluted Earnings Per Share (in INR) (0.53) 2.58



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Thousands)

18 Financial instruments – Fair values and risk management

a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

March 31, 2018	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Non Current							
Other Investments	-	0.20	0.20	-	-	-	-
Investment in Preference Shares	-	-	-	-	-	-	-
Investments in Equity Instruments	70.00	-	70.00	-	70.00	-	70.00
Current							
Investments	1,121.68	-	1,121.68	1,121.68	-	-	1,121.68
Cash and cash equivalents	-	115.74	115.74	-	-	-	-
	1,191.68	115.94	1,307.62	1,121.68	70.00	-	1,191.68
Financial Liabilities							
Current							
Borrowings	-	5.06	5.06	-	-	-	-
Trade Payables	-	56.34	56.34	-	-	-	-
Other Current Financial Liabilities	-	138.99	138.99	-	-	-	-
	-	200.39	200.39	-	-	-	-

March 31, 2017	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Non Current							
Other Investments	-	-	-	-	-	-	-
Investments in Equity Instruments	3,686.30	-	3,686.30	-	3,686.30	-	3,686.30
Current							
Investments	1,051.39	-	1,051.39	1,051.39	-	-	1,051.39
Cash and cash equivalents	-	322.69	322.69	-	-	-	-
	4,737.69	322.69	5,060.38	1,051.39	3,686.30	-	4,737.69
Financial Liabilities							
Current							
Trade Payables	-	63.00	63.00	-	-	-	-
Other Current Financial Liabilities	-	0.18	0.18	-	-	-	-
	-	63.18	63.18	-	-	-	-



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Thousands)

18 Financial instruments – Fair values and risk management (Continued)

b) Measurement of Fair Value

- i) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
- ii) The Company uses the Discounted Cash Flow valuation technique (in relation to financial assets measured at fair value through profit or loss) which involves determination of present value of expected receipt/ payment discounted using appropriate discounting rates. The fair value so determined are classified as Level 2.

c) Risk Management Framework

The Company's management has overall responsibility for the identification, analysis and mitigation of various risks faced by the Company. The Company follows the Group's risk management policies which is established and reviewed by the Risk Management Committee established by the Board of Directors of Godrej Properties Limited, the Holding Company.

d) Financial risk management

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

- (i) Credit Risk
- (ii) Liquidity Risk and
- (iii) Market Risk.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's investments in mutual funds, cash and cash equivalents and balances with banks, and other loans etc.

The carrying amount of financial assets represents the maximum credit exposure.

The Company does not have any receivables as at March 31, 2018.

Investments in Mutual Funds

Investments in mutual funds are generally made in debt based funds with approved credit ratings as per the Investment policy of the Company.

Cash and Bank balances

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



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Thousands)

18 Financial instruments – Fair values and 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 due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. The Company invests its surplus funds in bank fixed deposit and debt liquid scheme of mutual funds, which carry no/low mark to market risks.

The Company has access to funds from debt markets through loan from bank, commercial papers, fixed deposits from public and other debt instruments. The Company invests its surplus funds in bank fixed deposit and debt based mutual funds.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date:

March 31, 2018	Carrying Amount	Total	Contractual cash flows			
			Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Current						
Borrowings	5.06	5.06	5.06	-	-	-
Trade Payables	56.34	56.34	56.34	-	-	-
Other Current Financial Liabilities	138.99	138.99	138.99	-	-	-

March 31, 2017		Total	Contractual cash flows			
			Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Current						
Trade Payables	63.00	63.00	63.00	-	-	-
Other Current Financial Liabilities	0.18	0.18	0.18	-	-	-



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Thousands)

18 Financial instruments – Fair values and risk management (Continued)

(iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rate, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency Risk

The Company does not have any foreign currency transactions and hence is not exposed to currency risk.

b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

Since the Company does not have any Financial Assets or Financial Liabilities bearing floating interest rates, a change in interest rate at the reporting date would not have any significant impact on the Financial statements of the Company.

19 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board of Directors seek to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages by a sound capital position.

As at March 31, 2018, the Company has only one class of Equity Share and has low Debt. Consequent to such Capital structure, there are no externally imposed capital requirements.

The Company monitors capital using a ratio of 'Net Debt to Equity'. For this purpose, net debt is defined as total borrowings less cash & bank balances and other current investments.

The Company's net debt to equity ratios are as follows:

Particulars	March 31, 2018	March 31, 2017
Net debt	(1,232.36)	(1,374.08)
Total equity	1,079.26	4,980.81
Net debt to equity ratio	(1.14)	(0.28)



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Thousands)

20 Related Party Transactions

1. Related Party Disclosures:

Related party disclosures as required by Ind AS - 24, "Related Party Disclosures", are given below:

Relationships:

i) Shareholders (Holding Company)

Godrej Properties Limited (GPL) holds 100% of the Share Capital of the Company

GPL is the Subsidiary of Godrej Industries Limited (GIL). GIL is subsidiary of Vora Soaps Limited, the Ultimate Holding Company w.e.f. March 30, 2017. Godrej & Boyce Manufacturing Limited Company was the Ultimate Holding Company upto March 29, 2017.

ii) Other Related Parties in Godrej Group

Godrej Vikhroli Properties India Limited (Formerly known as Godrej Vikhroli Properties LLP upto January 24, 2017) (GVPIL)

Godrej Green Homes Limited (GGHL)

Godrej Highrises Properties Private Limited (GHRPL)

Godrej Land Developers LLP (GLDLLP)

Godrej Home Developers Private Limited (GHDPL)

Godrej Highrises Properties LLP

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

(i) Details relating to parties referred to in items 1 (i) & (ii) above

Nature of Transaction	Godrej Properties Limited (i)	Other Related Parties in Godrej Group (ii)	Total
Transactions during the Year			
Interest Expense			
Current Year	0.07	-	0.07
Previous Year	-	-	-
Share of (Loss)/Profit in LLP			
Current Year	-	(138.81)	(138.81)
Previous Year	-	1,032.54	1,032.54
Investment in Equity / Preference Share			
Current Year	-	50.20	50.20
Previous Year	-	-	-
Investment in Capital Account			
Current Year	-	20.00	20.00
Previous Year	-	6,016.32	6,016.32
Shares Sold /Redeemed / Repayment of Partners Capital/ Withdrawal of Share of Profit			
Current Year	-	-	-
Previous Year	-	3,360.69	3,360.69
Borrowings Taken			
Current Year	5.00	-	5.00
Previous Year	2,350.00	-	2,350.00
Borrowings repaid			
Current Year	-	-	-
Previous Year	2,350.00	-	2,350.00
Balance Outstanding as on March 31, 2018			
Amount Payables			
Current Year	5.06	-	5.06
Previous Year	-	-	-



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Thousands)

21 Payment to Auditors (net of taxes)

Particulars	March 31, 2018	March 31, 2017 #
Audit Fees	50.00	60.00
Total	50.00	60.00

pertains to fees paid to erstwhile auditors

22 Segment Reporting

A. General Information

Factors used to identify the entity's reportable segments, including the basis of organisation

For management purposes, the Company has only one reportable segments namely, development of real estate property. The Board of Directors of the Company act as the Chief Operating Decision Maker ("CODM"). The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

B. Information about Geographical Areas

The geographic information analyses the Company's revenue and Non Current Assets by the Company's country of domicile and other countries. As the Company is engaged in Development of Real Estate property in India, it has only one reportable geographical segment.

C. Information about major customers

There were no reportable customers during the year ended March 31, 2018. (Previous Year : Nil)

23 Disclosure on Specified Bank Notes (SBNs)

During the previous financial year the Company did not have any cash transactions. Hence the disclosure requirement as envisaged in MCA Notification No. G.S.R. 308(E) dated March 30, 2017 with respect to Specified Bank Notes (SBNs) and other denomination notes held and transacted during the period from November 08, 2016 to December 30, 2016 is not applicable to the Company.

24 Contingent liabilities and commitments

	March 31, 2018	March 31, 2017
Contingent liabilities		
Claims against the Company not acknowledged as debts	Nil	Nil
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Nil	Nil

25 Previous year's figures were audited by a firm of Chartered Accountants other than B S R & Co. LLP.

26 The figures for the previous year have been regrouped/ reclassified to correspond with current year's classification/ disclosure that include changes consequent to the issuance of "Guidance Note on Division II - Ind AS Schedule III to the Companies Act, 2013".



Godrej Hillside Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Thousands)

27 Disclosure pursuant to Section 186 of the Companies Act, 2013

Sr. No.	Name of the Company	Country of Incorporation	Carrying Value		Movement during the Year
			As at March 31, 2018	As at March 31, 2017	
(i) Investment in Equity Share Capital - Companies					
1	Godrej Vikhroli Properties India Limited	India	-	3,686.30	(3,686.30)
2	Godrej Home Developers Private Limited	India	50.00	-	50.00
(ii) Investment in Preference Share Capital - Companies					
1	Godrej Green Homes Limited	India	0.10	-	0.10
2	Godrej Highrises Properties Private Limited	India	0.10	-	0.10
(iii) Investment in Limited Liability Partnership					
1	Godrej Highrises Realty LLP	India	10.00	-	10.00
2	Godrej Land Developers LLP	India	10.00	-	10.00

As per our report of even date.

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022



ANIRUDDHA GODBOLE

Partner

Membership Number: 105149

Mumbai
May 02, 2018

For and on behalf of the Board of Directors of
Godrej Hillside Properties Private Limited



KARAN SINGH BOLARIA

Director

DIN: 06618461

Mumbai
May 02, 2018



ANUBHAV GUPTA

Director

DIN: 07589364