

# **Godrej Hillside Properties Private Limited**

Financial Statements  
together with the  
Independent Auditors' Report  
for the year ended 31 March 2021

# Godrej Hillside Properties Private Limited

## **Financial statements together with the Independent Auditors' Report**

*for the year ended 31 March 2021*

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# B S R & Co. LLP

Chartered Accountants

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## Independent Auditors' Report

To the Members of

Godrej Hillside Properties Private Limited

### Opinion

We have audited the financial statements of Godrej Hillside Properties Private Limited (“the Company”), which comprise the balance sheet as at 31 March 2021, and 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 notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (‘the Act’) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021 and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Directors report, but does not include the financial statements and our auditors' report thereon.

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

## **Independent Auditors' Report (*Continued*)**

# **Godrej Hillside Properties Private Limited**

### **Other Information (Continued)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's and Board of Directors' Responsibility for the Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in Section 134 (5) of the Act, with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit / loss and 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) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditors' Responsibilities for the Audit of the Financial Statements**

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

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## **Independent Auditors' Report (*Continued*)**

### **Godrej Hillside Properties Private Limited**

#### **Auditors' Responsibilities for the Audit of the Financial Statements (*Continued*)**

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

## **Independent Auditors' Report (*Continued*)**

# **Godrej Hillside Properties Private Limited**

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

As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

- (A) As required by Section 143 (3) of the Act, we report that:
- (a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act;
  - (e) on the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - (f) with respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) 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 would impact its financial position;
  - ii. the Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses;
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
  - iv. the disclosures in the financial statements regarding holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.

**Independent Auditors' Report (*Continued*)**

**Godrej Hillside Properties Private Limited**

**Report on Other Legal and Regulatory Requirements (*Continued*)**

(C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

- i. in our opinion and according to the information and explanations given to us, the company has not paid or provided for managerial remuneration; and
- ii. the ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Chartered Accountants

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

**Mansi Pardiwalla**

*Partner*

Membership No.: 108511

UDIN.: 21108511AAAACD7584

Mumbai

1 May 2021

## **Godrej Hillside Properties Private Limited**

### **Annexure A to the Independent Auditors' Report – 31 March 2021**

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2021, we report the following:

- i. The Company neither owns any fixed assets including property, plant and equipment nor has purchased any fixed assets including 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. 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 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 explanation 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 granted 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 Sections 185 and 186 of the Act in respect of granting loan or providing any guarantees or 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 and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. 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 Section 148(1) 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, 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 Goods and Service tax, Provident Fund, Employees' State Insurance, Professional Tax, Property tax, and Labour cess.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

## Godrej Hillside Properties Private Limited

### Annexure A to the Independent Auditors' Report – 31 March 2021 (*Continued*)

- (b) According to the information and explanations given to us, there are no dues of Income-tax, which have not been deposited with the appropriate authorities on account of any dispute.
- viii. The Company does not have any loans or borrowings from government or 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.
- 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 moneys by way of initial public offer or further public offer (including debt instruments) and has not obtained any 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 and the Nidhi Rules, 2014 are not applicable to it. 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 Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act. 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 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 or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

## **Godrej Hillside Properties Private Limited**

### **Annexure A to the Independent Auditors' Report – 31 March 2021 (*Continued*)**

- 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 them. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.
  
- xvi. In our opinion and 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.

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

Chartered Accountants

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

**Mansi Pardiwalla**

*Partner*

Membership No.: 108511

UDIN.: 21108511AAAACD7584

Mumbai

1 May 2021

# **Godrej Hillside Properties Private Limited**

## **Annexure B to the Independent Auditors' Report – 31 March 2021**

**Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

**(Referred to in paragraph (A) to (F) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **Opinion**

We have audited the internal financial controls with reference to financial statements of Godrej Hillside Properties Private Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to 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 issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### **Management's Responsibility for Internal Financial Controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to 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 issued by the Institute of Chartered Accountant of India (ICAI) These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ('the Act').

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with respect to financial statement based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, with reference to financial statements. 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 financial statement was established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with respect to financial statements and their operating effectiveness.

# Godrej Hillside Properties Private Limited

Annexure B to the Independent Auditors' Report – 31 March 2021 (*Continued*)

## Auditors Responsibility (continued)

Our audit of internal financial controls with respect to financial statements included obtaining an understanding of internal financial controls with respect to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

## Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

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

Chartered Accountants

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

**Mansi Pardiwalla**

*Partner*

Membership No.: 108511

UDIN.: 21108511AAAACD7584

Mumbai

1 May 2021

# Godrej Hillside Properties Private Limited

## Balance Sheet

as at March 31, 2021

(Currency in INR Thousands)

| Particulars  | Note | As at March 31, 2021 | As at March 31, 2020 |
|--|------|----------------------|----------------------|
| <b>ASSETS</b>  |      |                      |                      |
| <b>Non-Current Assets</b>  |      |                      |                      |
| Financial Assets   |      |                      |                      |
| Other Investments  | 3    | 60.10                | 60.10                |
| Income Tax Assets (Net)  |      | 4.95                 | 4.42                 |
| <b>Total Non-Current Assets</b>  |      | <b>65.05</b>         | 64.52                |
| <b>Current Assets</b>  |      |                      |                      |
| Financial Assets   |      |                      |                      |
| Cash and Cash Equivalents  | 4    | 444.10               | 411.54               |
| Bank Balances other than above   | 5    | 729.17               | 685.10               |
| Other Current Financial Assets   | 6    | 39.06                | 39.81                |
| Other Current Non Financial Assets   | 7    | 0.63                 | -                    |
| <b>Total Current Assets</b>  |      | <b>1,212.96</b>      | 1,136.45             |
| <b>TOTAL ASSETS</b>  |      | <b>1,278.01</b>      | 1,200.97             |
| <b>EQUITY AND LIABILITIES</b>  |      |                      |                      |
| <b>EQUITY</b>  |      |                      |                      |
| Equity Share Capital   | 8    | 4,100.00             | 4,100.00             |
| Other Equity   |      | (10,402.88)          | (9,663.22)           |
| <b>Total Equity</b>  |      | <b>(6,302.88)</b>    | (5,563.22)           |
| <b>LIABILITIES</b>   |      |                      |                      |
| <b>Current Liabilities</b>   |      |                      |                      |
| Financial Liabilities  |      |                      |                      |
| Borrowings   | 9    | 476.83               | 317.63               |
| Trade Payables   |      | -                    | -                    |
| total outstanding dues of micro enterprises and small enterprises (refer note 22)      |      | -                    | -                    |
| total outstanding dues of creditors other than micro enterprises and small enterprises |      | 56.45                | 76.50                |
| Other Current Financial Liabilities  | 10   | 7,043.68             | 6,361.58             |
| Other Current Non Financial Liabilities  | 11   | 3.93                 | 8.48                 |
| <b>Total Current Liabilities</b>   |      | <b>7,580.89</b>      | 6,764.19             |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |      | <b>1,278.01</b>      | 1,200.97             |
| <b>Significant Accounting Policies</b>   | 1-2  |                      |                      |

The accompanying notes 1 to 23 form an integral part of these Financial Statements.

As per our report of even date.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of  
**Godrej Hillside Properties Private Limited**  
CIN: U70102MH2015PTC263237

**MANSI PARDIWALLA**  
Partner  
Membership No: 108511

**NAMRATA MEHRA**  
Director  
DIN: 08442778

**ANUBHAV GUPTA**  
Director  
DIN: 07589364

Mumbai  
May 01, 2021

Mumbai  
May 01, 2021

# Godrej Hillside Properties Private Limited

## Statement of Profit and Loss

for the year ended March 31, 2021

(Currency in INR Thousands)

| Particulars   | Note  | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 |
|---|-------|--------------------------------------|--------------------------------------|
| <b>INCOME</b>   |       |                                      |                                      |
| Other Income  | 12    | 68.44                                | 73.14                                |
| <b>Total Income</b>   |       | <b>68.44</b>                         | <b>73.14</b>                         |
| <b>EXPENSES</b>   |       |                                      |                                      |
| Finance Costs   | 13    | 31.63                                | 15.88                                |
| Other Expenses  | 14    | 776.47                               | 5,768.53                             |
| <b>Total Expenses</b>   |       | <b>808.10</b>                        | <b>5,784.41</b>                      |
| <b>(Loss) Before Tax</b>  |       | <b>(739.66)</b>                      | <b>(5,711.27)</b>                    |
| <b>Tax Expense</b>  |       |                                      |                                      |
| Current Tax   | 15(b) | -                                    | -                                    |
| Deferred Tax (Credit)   | 15(a) | -                                    | (39.34)                              |
| <b>Total Tax Expense</b>  |       | <b>-</b>                             | <b>(39.34)</b>                       |
| <b>(Loss) for the Year</b>  |       | <b>(739.66)</b>                      | <b>(5,671.93)</b>                    |
| <b>Other Comprehensive Income</b>   |       |                                      |                                      |
| <b>Items that will not be subsequently reclassified to profit or loss</b> |       |                                      |                                      |
| Remeasurements of the defined benefit plan                                |       | -                                    | -                                    |
| Tax on above  | 15(a) | -                                    | -                                    |
| <b>Other Comprehensive Income for the Year (Net of Tax)</b>               |       | <b>-</b>                             | <b>-</b>                             |
| <b>Total Comprehensive Income for the Year</b>                            |       | <b>(739.66)</b>                      | <b>(5,671.93)</b>                    |
| <b>Earnings Per Share (Amount in INR)</b>                                 |       |                                      |                                      |
| Basic   | 16    | (1.80)                               | (13.83)                              |
| Diluted   |       | (1.80)                               | (13.83)                              |

### Significant Accounting Policies

1-2

The accompanying notes 1 to 23 form an integral part of these Financial Statements.

As per our report of even date.

For **BSR & Co. LLP**

Chartered Accountants

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

For and on behalf of the Board of Directors of

**Godrej Hillside Properties Private Limited**

CIN: U70102MH2015PTC263237

**MANSI PARDIWALLA**

Partner

Membership No: 108511

**NAMRATA MEHRA**

Director

DIN: 08442778

**ANUBHAV GUPTA**

Director

DIN: 07589364

Mumbai

May 01, 2021

Mumbai

May 01, 2021

# Godrej Hillside Properties Private Limited

## Statement of Cash Flows

for the year ended March 31, 2021

(Currency in INR Thousands)

| Particulars   | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| <b>Cash Flow from Operating Activities</b>                |                                      |                                      |
| (Loss) Before Tax   | (739.66)                             | (5,711.27)                           |
| <b>Adjustments for:</b>                                   |                                      |                                      |
| Finance costs   | 31.63                                | 15.88                                |
| Share of Loss from Limited Liability partnership          | 666.27                               | 5,514.97                             |
| Interest income   | (68.44)                              | (51.00)                              |
| Profit on sale of investments (net)                       | -                                    | (22.14)                              |
| <b>Operating (loss) before working capital changes</b>    | <b>(110.20)</b>                      | <b>(253.56)</b>                      |
| <b>Changes in Working Capital:</b>                        |                                      |                                      |
| (Decrease) / Increase in Non Financial Liabilities        | (4.55)                               | 3.42                                 |
| (Decrease) / Increase in Financial Liabilities            | (20.23)                              | 31.50                                |
| (Increase) / Decrease in Non Financial Assets             | (0.63)                               | -                                    |
|   | <b>(25.41)</b>                       | <b>34.92</b>                         |
| Taxes Paid  | (0.53)                               | (4.42)                               |
| <b>Net cash flows (used in) operating activities</b>      | <b>(136.14)</b>                      | <b>(223.06)</b>                      |
| <b>Cash Flow from Investing Activities</b>                |                                      |                                      |
| Sale of mutual funds (net)                                | -                                    | 1,078.33                             |
| Purchase of investments in fixed deposits (net)           | (44.07)                              | (685.10)                             |
| Share of Profit received from LLP                         | 16.01                                | -                                    |
| Interest Received   | 69.19                                | 11.19                                |
| <b>Net cash flows generated from investing activities</b> | <b>41.13</b>                         | <b>404.42</b>                        |
| <b>Cash Flow from financing activities</b>                |                                      |                                      |
| Proceeds from short-term borrowings                       | 130.00                               | 216.40                               |
| Interest paid   | (2.43)                               | (1.63)                               |
| <b>Net cash flows generated from financing activities</b> | <b>127.57</b>                        | <b>214.77</b>                        |
| <b>Net Increase in Cash and Cash Equivalents</b>          | <b>32.56</b>                         | <b>396.13</b>                        |
| <b>Cash and Cash Equivalents - Opening Balance</b>        | <b>411.54</b>                        | <b>15.41</b>                         |
| <b>Cash and Cash Equivalents - Closing Balance</b>        | <b>444.10</b>                        | <b>411.54</b>                        |

# Godrej Hillside Properties Private Limited

## Statement of Cash Flows

for the year ended March 31, 2021

(Currency in INR Crore)

### Notes :

(a) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) -7 "Statement of Cash Flows".

(b) Reconciliation of Cash and Cash Equivalents as per the Statement of Cash Flows.

Cash and Cash Equivalents as per the above comprise of the following:

| Particulars   | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| Cash and Cash Equivalents (refer Note 4)                        | 444.10                               | 15.41                                |
| <b>Cash and Cash Equivalents as per Statement of Cash Flows</b> | <b>444.10</b>                        | <b>15.41</b>                         |

(c) 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

| Particular            | As at<br>April 01,<br>2020 | Changes in<br>Statement of<br>Cash Flows | Non Cash<br>Changes * | As at March 31, 2021 |
|-----------------------|----------------------------|--|-----------------------|----------------------|
| Short-term borrowings | 317.63                     | 130.00                                   | 29.20                 | 476.83               |

#### Reconciliation of liabilities arising from financing activities

| Particular            | As at<br>April 01,<br>2019 | Changes in<br>Statement of<br>Cash Flows | Non Cash<br>Changes * | As at March 31, 2020 |
|-----------------------|----------------------------|--|-----------------------|----------------------|
| Short-term borrowings | 87.00                      | 216.40                                   | 14.23                 | 317.63               |

\* including Interest accrued

The accompanying notes 1 to 23 form an integral part of these Financial Statements.

As per our report of even date.

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

Chartered Accountants

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

#### For and on behalf of the Board of Directors of

Godrej Hillside Properties Private Limited

CIN: U70102MH2015PTC263237

#### MANSI PARDIWALLA

Partner

Membership No: 108511

#### NAMRATA MEHRA

Director

DIN: 08442778

#### ANUBHAV GUPTA

Director

DIN: 07589364

Mumbai

May, 2021

Mumbai

May, 2021

# Godrej Hillside Properties Private Limited

## Statement of Changes in Equity for the year ended March 31, 2021

(Currency in INR Thousands)

### a) Equity Share Capital

| Particulars                                     | As at March 31,<br>2021 | As at March 31,<br>2019 |
|---|-------------------------|-------------------------|
| 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                  | Reserve and Surplus                       |  | Total             |
|------------------------------|---|--|-------------------|
|                              | Capital Reserve (refer<br>note (a) below) | Retained Earnings<br>(refer note (b)<br>below) |                   |
| Balance as at April 01, 2019 | (3,686.10)                                | (305.19)                                       | (3,991.29)        |
| Total Comprehensive Income:  |   |  |                   |
| i) (Loss) for the year       | -   | (5,671.93)                                     | (5,671.93)        |
| Balance as at March 31, 2020 | <u>(3,686.10)</u>                         | <u>(5,977.12)</u>                              | <u>(9,663.22)</u> |

### b) Other Equity

| Particulars                  | Reserve and Surplus                       |  | Total              |
|------------------------------|---|--|--------------------|
|                              | Capital Reserve (refer<br>note (a) below) | Retained Earnings<br>(refer note (b)<br>below) |                    |
| Balance as at April 01, 2020 | (3,686.10)                                | (5,977.12)                                     | (9,663.22)         |
| Total Comprehensive Income:  |   |  |                    |
| i) (Loss) for the year       | -   | (739.66)                                       | (739.66)           |
| Balance as at March 31, 2021 | <u>(3,686.10)</u>                         | <u>(6,716.78)</u>                              | <u>(10,402.88)</u> |

#### (a) Capital Reserve

During amalgamation, the excess of net assets taken over the cost of consideration paid is treated as capital reserve on account of amalgamation.

#### (b) Retained Earnings

Retained earnings are the losses that the Company has incurred till date, less any transfers to general reserve, debenture redemption reserve, dividends or other distributions paid to shareholders.

The accompanying notes 1 to 23 form an integral part of these Financial Statements.

As per our report of even date.

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

Chartered Accountants

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

For and on behalf of the Board of Directors of

**Godrej Hillside Properties Private Limited**

CIN: U70102MH2015PTC263237

**MANSI PARDIWALLA**

Partner

Membership No: 108511

**NAMRATA MEHRA**

Director

DIN: 08442778

**ANUBHAV GUPTA**

Director

DIN: 07589364

Mumbai

May 01, 2021

Mumbai

May 01, 2021

# Godrej Hillside Properties Private Limited

## Notes forming part of financial Statements *(Continued)*

for the year ended March 31, 2021

(Currency in INR Thousands)

### Note 1

#### I. Company Overview

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

#### II. Basis of preparation and measurement

##### a) Statement of compliance

These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (“the Act”) and the relevant provisions and amendments, as applicable.

These financial statements of the Company for the year ended March 31, 2020 were authorised for issue by the company’s Board of Directors on May 1, 2021.

##### 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) Basis of measurement

These financial statements have been prepared on historical cost basis except certain financial instruments measured at fair value.

##### d) 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. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

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:

- *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

# Godrej Hillside Properties Private Limited

## Notes forming part of financial Statements (*Continued*)

for the year ended March 31, 2021

(Currency in INR Thousands)

### Note 1 (*Continued*)

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

### d) Use of Estimates and Judgements (*Continued*)

- *Fair value measurement of financial instruments (Continued)*

judgement is required in establishing fair values. Changes in assumptions relating to these inputs could affect the fair value of financial instruments.

- *Impairment losses on investment*

The Company reviews its carrying value of investments carried at amortised cost annually or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

- *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.

### e) Recent Pronouncements

On March 24, 2021 the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

# Godrej Hillside Properties Private Limited

## Notes forming part of financial Statements *(Continued)*

for the year ended March 31, 2021

(Currency in INR Thousands)

### Note 1 *(Continued)*

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

### e) Recent Pronouncements

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of consolidated financial statements.

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

### f) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial and non-financial assets and liabilities.

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.

### g) 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.

# Godrej Hillside Properties Private Limited

## Notes forming part of financial Statements (Continued)

for the year ended March 31, 2021

(Currency in INR Thousands)

### Note 1 (Continued)

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

##### h) Going Concern

The Company has been incorporated for a proposed project, the project being in various stages of evaluation. The Company is incorporated to enable investments as and when definitive agreements for projects are executed, and hence during the initial years, whilst the project feasibility analysis is in process, the Company incurs losses in relation to the compliance and establishment costs as per applicable laws. Based on the financial support extended by Godrej Properties Limited (Shareholder of the Company), the Management believe that the Company will continue to operate as a going concern for the foreseeable future, realise its assets and meet all its liabilities as they fall due for payment, in the normal course of business. In case of any fund requirement for development/continuing operation of company, shareholders shall fund/arrange fund in form of Equity/Loan.

### Note 2

#### 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 loss 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 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

# Godrej Hillside Properties Private Limited

## Notes forming part of financial Statements (Continued)

for the year ended March 31, 2021

(Currency in INR Thousands)

### Note 2 (Continued)

### III. Significant accounting Policies (Continued)

#### b) Financial instruments

Trade receivables and debt securities issued are initially recognised when they originate.

The Company recognises financial assets (other than trade receivables and debt securities) 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 financial 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. 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.

A debt investment is measured at FVOCI if it meets both of the following conditions or is not designated as at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cashflow and selling financial assets, and
- The contractual terms of the financial assets give rise on the specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### 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.

# Godrej Hillside Properties Private Limited

## Notes forming part of financial Statements *(Continued)*

for the year ended March 31, 2021

(Currency in INR Thousands)

### Note 2 *(Continued)*

## III. Significant accounting Policies *(Continued)*

### b) Financial instruments

#### Equity investments

All equity investments other than investment in subsidiaries, joint ventures 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 (FVOCI) 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 FVOCI, 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 the 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' 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.

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, 2021

(Currency in INR Thousands)

### Note 2 *(Continued)*

### III. Significant accounting Policies *(Continued)*

#### b) Financial instruments

##### I. *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 the statement of profit and loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and 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.

##### III 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 them on a net basis or to realise the assets and settle the liabilities simultaneously.

##### IV. *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, 2021

(Currency in INR Thousands)

### Note 2 *(Continued)*

#### III. Significant accounting Policies *(Continued)*

##### c) Revenue Recognition

###### Interest income

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

##### d) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in the 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.

###### *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. Deferred tax liabilities are recognised for taxable temporary differences.

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.

# Godrej Hillside Properties Private Limited

## Notes forming part of financial Statements (Continued)

for the year ended March 31, 2021

(Currency in INR Thousands)

### Note 2 (Continued)

#### III. Significant accounting Policies (Continued)

##### d) Income tax (continued)

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.

##### *Section 115BAA of Income Tax Act, 1961*

A new Section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section.

##### 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 year which they are incurred.

##### f) **Cash and Cash Equivalents**

Cash and cash equivalents 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.

##### g) **Earnings per share**

This Basic earnings per share is computed by dividing the profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax attributable to the equity shareholders as adjusted interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted

# Godrej Hillside Properties Private Limited

## Notes forming part of financial Statements *(Continued)*

for the year ended March 31, 2021

(Currency in INR Thousands)

### Note 2 *(Continued)*

#### III. Significant Accounting Policies *(Continued)*

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. If potential equity shares converted into equity shares increases the earnings per share, then they are treated as anti-dilutive and anti-dilutive earning per share is computed.

#### h) Provisions and contingent liabilities

A provision is recognised when the Company has a present legal or constructive 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 at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability 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. The unwinding of the discount is recognised as finance cost

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.

#### j) 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, 2021

(Currency in INR Thousands)

|   | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|
| <b>3 Other Investments (Non-Current)</b>  |                |                |
| <b>Investment in Other Companies</b>  |                |                |
| <b>a) Investment in Equity Instruments (Fully Paid-up unless stated otherwise) (at FVTPL)</b> |                |                |
| <b>Godrej Home Developers Private Limited</b>   | <b>50.00</b>   | 50.00          |
| 5,000 (Previous Year: 5,000) Equity Shares of INR 10/- each                                   |                |                |
| <b>b) Investment in Preference Shares (Fully paid-up unless stated otherwise) (at FVTPL)</b>  |                |                |
| <b>Godrej Highrises Properties Private Limited</b>  | <b>0.10</b>    | 0.10           |
| 10 (Previous Year: 10) 7% Redeemable Non-cumulative Preference Shares of INR 10/- each        |                |                |
| <b>c) Investment In Limited Liability Partnerships</b>  |                |                |
| <b>Godrej Highrises Realty LLP</b>  | <b>10.00</b>   | 10.00          |
|   | <b>60.10</b>   | 60.10          |
|   | <b>60.10</b>   | 60.10          |
| Aggregate book value of Unquoted Investments  | <b>60.10</b>   | 60.10          |

# Godrej Hillside Properties Private Limited

## Notes Forming Part of Financial Statements (*Continued*)

as at March 31, 2021

(Currency in INR Thousands)

### 4 Cash and Cash Equivalents

#### Balances With Banks

|  |        |        |
|--|--------|--------|
| In Current Accounts  | 24.98  | 11.54  |
| In Fixed Deposit Accounts with maturity less than 3 months | 419.12 | 400.00 |

|               |               |
|---------------|---------------|
| <b>444.10</b> | <b>411.54</b> |
|---------------|---------------|

### 5 Bank Balances other than above

#### Balances With Banks

|  |        |        |
|--|--------|--------|
| In Fixed Deposit Accounts with original maturity of more than 3 months but less than 12 months | 729.17 | 685.10 |
|--|--------|--------|

|               |               |
|---------------|---------------|
| <b>729.17</b> | <b>685.10</b> |
|---------------|---------------|

### 6 Other Current Financial Assets

#### Unsecured, Considered Good

##### *To parties other than related parties*

|                                    |       |       |
|------------------------------------|-------|-------|
| Interest Accrued on Fixed Deposits | 39.06 | 39.81 |
|------------------------------------|-------|-------|

|              |              |
|--------------|--------------|
| <b>39.06</b> | <b>39.81</b> |
|--------------|--------------|

### 7 Other Current Non Financial Assets

##### *To parties other than related parties*

|                                      |      |   |
|--------------------------------------|------|---|
| Advance to Suppliers and Contractors | 0.63 | - |
|--------------------------------------|------|---|

|             |          |
|-------------|----------|
| <b>0.63</b> | <b>-</b> |
|-------------|----------|

# Godrej Hillside Properties Private Limited

## Notes Forming Part of Financial Statements (Continued)

as at March 31, 2021

(Currency in INR Thousands)

March 31, 2021      March 31, 2020

### 8 Equity Share Capital

**a) Authorised :**

|   |                 |          |
|---|-----------------|----------|
| 410,000 Equity Shares of INR 10/- each (Previous Year: 410,000 Equity Share of INR 10/- each) | <b>4,100.00</b> | 4,100.00 |
|   | <b>4,100.00</b> | 4,100.00 |

**b) Issued, Subscribed and Paid-Up:**

|  |                 |          |
|--|-----------------|----------|
| 410,000 Equity Shares of INR 10/- each (Previous Year: 410,000 Equity Shares of INR 10/- each) fully paid-up | <b>4,100.00</b> | 4,100.00 |
|  | <b>4,100.00</b> | 4,100.00 |

**c) Reconciliation of number of shares outstanding at the beginning and end of the year :**

| Equity Shares :                          | March 31, 2021  |                    | March 31, 2020 |                    |
|--|-----------------|--------------------|----------------|--------------------|
|  | No. of Shares   | INR (In Thousands) | No. of Shares  | INR (In Thousands) |
| Outstanding at the beginning of the year | <b>4,10,000</b> | <b>4,100.00</b>    | 4,10,000       | 4,100.00           |
| Issued during the year                   | -               | -                  | -              | -                  |
| Outstanding at the end of the year       | <b>4,10,000</b> | <b>4,100.00</b>    | 4,10,000       | 4,100.00           |

**d) Shareholding Information**

| Equity shares are held by :  | March 31, 2021 |                    | March 31, 2020 |                    |
|--|----------------|--------------------|----------------|--------------------|
|  | No. of Shares  | INR (In Thousands) | No. of Shares  | INR (In Thousands) |
| Godrej Properties Limited (Holding Company)                                    | 4,09,999       | 4,099.99           | 4,09,999       | 4,099.99           |
| Godrej Projects Development Limited (Subsidiary of Godrej Properties Limited ) | 1              | 0.01               | 1              | 0.01               |

**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 held. 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, 2021  |                | March 31, 2020 |         |
|---|-----------------|----------------|----------------|---------|
|   | No. of Shares   | %              | No. of Shares  | %       |
| <b>Equity shares</b>                        |                 |                |                |         |
| Godrej Properties Limited (Holding Company) | <b>4,09,999</b> | <b>100.00%</b> | 4,09,999       | 100.00% |

# Godrej Hillside Properties Private Limited

## Notes Forming Part of Financial Statements (Continued)

as at March 31, 2021

(Currency in INR Thousands)

### 9 Borrowings (Current)

| Particulars           | March 31, 2021 | March 31, 2020 |
|-----------------------|----------------|----------------|
| Unsecured Loans       |                |                |
| From Related parties* | 476.83         | 317.63         |
|                       | <u>476.83</u>  | <u>317.63</u>  |

\* Unsecured loan taken from related party (Godrej Properties Limited) bearing interest at the rate of 8% p.a. repayable as per terms of agreement executed.

### 10 Other Current Financial Liabilities

|   | March 31, 2021  | March 31, 2020  |
|---|-----------------|-----------------|
| Share of Loss from LLPs                               | 7,043.68        | 6,361.40        |
| Other Liabilities (includes reimbursement of expense) | -               | 0.18            |
|   | <u>7,043.68</u> | <u>6,361.58</u> |

### 11 Other Current Non Financial Liabilities

*To parties other than related parties*

|   |             |             |
|---|-------------|-------------|
| Statutory Dues (Tax Deducted at Source) | 3.93        | 8.48        |
|   | <u>3.93</u> | <u>8.48</u> |

# Godrej Hillside Properties Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2021

(Currency in INR Thousands)

|  | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| <b>12 Other Income</b>                             |                                      |                                      |
| Interest Income                                    | 68.44                                | 51.00                                |
| Profit on Sale of Investments in mutual fund (net) | -                                    | 22.14                                |
|  | <u>68.44</u>                         | <u>73.14</u>                         |
| <b>13 Finance Costs</b>                            |                                      |                                      |
| Interest Expense                                   | 31.63                                | 15.82                                |
| Interest on delayed payment of income tax          | -                                    | 0.06                                 |
|  | <u>31.63</u>                         | <u>15.88</u>                         |
| <b>14 Other Expenses</b>                           |                                      |                                      |
| Consultancy Charges                                | 46.24                                | 180.38                               |
| Share of Loss in Limited Liability Partnership     | 666.27                               | 5,514.97                             |
| Other Expenses *                                   | 63.96                                | 73.18                                |
|  | <u>776.47</u>                        | <u>5,768.53</u>                      |

\* includes payment to auditors amounting to INR 61.96 Thousands (Previous year : INR 72.43 Thousands) ( refer note 21)

# Godrej Hillside Properties Private Limited

## Notes Forming Part of Financial Statements (Continued)

as at March 31, 2021

(Currency in INR Thousands)

### 15 Deferred Tax Liabilities (Net)

#### a) Amounts recognised in the Statement of profit and loss and Other comprehensive income

| Particulars                                      | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|
| <b>Current Tax</b>                               | -              | -              |
| <b>Deferred Tax (Credit)/ Charge</b>             | -              | (39.34)        |
| Deferred Tax attributable to                     |                |                |
| Origination and reversal of temporary difference | -              | (46.63)        |
| MAT Credit Reversal (Refer note (f) below)       | -              | 7.29           |
| <b>Tax Expense for the year</b>                  | -              | (39.34)        |

#### b) Movement in Deferred Tax Balances

| Particulars                        | Balance as at  | Movement during the year     |                            |                   | Balance as at  |
|------------------------------------|----------------|------------------------------|----------------------------|-------------------|----------------|
|                                    | April 01, 2020 | Recognised in Profit or Loss | Recognised in Other Equity | Recognised in OCI | March 31, 2021 |
| Deferred Tax Assets/ (Liabilities) | -              | -                            | -                          | -                 | -              |
| Deferred Tax Assets/ (Liabilities) | -              | -                            | -                          | -                 | -              |

  

| Particulars                        | Balance as at  | Movement during the year     |                            |                   | Balance as at  |
|------------------------------------|----------------|------------------------------|----------------------------|-------------------|----------------|
|                                    | April 01, 2019 | Recognised in Profit or Loss | Recognised in Other Equity | Recognised in OCI | March 31, 2020 |
| Deferred Tax Assets/ (Liabilities) |                |                              |                            |                   |                |
| MAT Credit                         | 7.29           | (7.29)                       | -                          | -                 | -              |
| Mutual Funds                       | (46.63)        | 46.63                        | -                          | -                 | -              |
| Deferred Tax Assets/ (Liabilities) | (39.34)        | (39.34)                      | -                          | -                 | -              |

#### c) Reconciliation of Effective Tax Rate

| Particulars  | March 31, 2021  | March 31, 2020    |
|--|-----------------|-------------------|
| <b>(Loss) Before Tax</b>   | <b>(739.66)</b> | <b>(5,711.27)</b> |
| Tax using the Company's domestic tax rate 25.168% (Previous Year: 25.168%) | <b>25.168</b>   | 25.17             |
| <b>Tax effect of:</b>  | <b>(186.16)</b> | <b>(1,437.41)</b> |
| Tax-exempt income  | <b>167.69</b>   | 1,388.01          |
| Unabsorbed losses  | <b>18.47</b>    | 1.39              |
| MAT credit written off   | -               | 7.29              |
| Other Adjustments  | -               | 1.38              |
| <b>Tax expense recognised</b>  | <b>-</b>        | <b>(39.34)</b>    |

#### d) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that the future taxable profit will be available against which the Company can use the benefits therefrom:

| Particulars     | March 31, 2021 |                         | March 31, 2020 |                         |
|-----------------|----------------|-------------------------|----------------|-------------------------|
|                 | Gross Loss     | Unrecognised tax effect | Gross Loss     | Unrecognised tax effect |
| Business losses | <b>424.78</b>  | <b>106.92</b>           | 390.68         | 98.33                   |

#### e) Tax Losses Carried Forward

| Particulars | March 31, 2021 |             | March 31, 2020 |             |
|-------------|----------------|-------------|----------------|-------------|
|             | Gross Loss     | Expiry Date | Gross Loss     | Expiry Date |
| Expire      | 77.51          | 2023-24     | 77.51          | 2023-24     |
|             | 7.16           | 2024-25     | 7.16           | 2024-25     |
|             | 136.50         | 2025-26     | 136.50         | 2025-26     |
|             | 164.00         | 2026-27     | 164.00         | 2026-27     |
|             | 21.13          | 2027-28     | 5.51           | 2027-28     |
|             | 18.47          | 2028-29     |                |             |

f) A new Section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions / conditions defined in the said section.

# Godrej Hillside Properties Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2021

(Currency in INR Thousands)

### 16 Earnings Per Share

#### a) Basic Earnings Per Share

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

|   | <b>For the year ended<br/>March 31, 2021</b> | For the year ended<br>March 31, 2020 |
|---|--|--------------------------------------|
| <b>(i) Profit attributable to ordinary shareholders (basic)</b>   |  |                                      |
| (Loss) for the Year , attributable to ordinary shareholders of the Company                                  | (739.66)                                     | (5,671.93)                           |
|   | <u>(739.66)</u>                              | <u>(5,671.93)</u>                    |
| <b>(ii) Weighted average number of ordinary shares (basic)</b>  |  |                                      |
| Weighted Average number of equity shares at the beginning of the year                                       | 4,10,000                                     | 4,10,000                             |
| Add: Weighted Average number of equity shares issued during the year  | -  | -                                    |
| <b>Weighted Average number of Equity Shares at the end of the year</b>                                      | <u>4,10,000</u>                              | <u>4,10,000</u>                      |
| <b>Basic and Diluted Earnings Per Share (INR) (Face Value INR 10 each)<br/>(Previous year: INR 10 each)</b> | <b>(1.80)</b>                                | <b>(13.83)</b>                       |

#### 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.

|   |                 |                   |
|---|-----------------|-------------------|
| <b>(i) Profit attributable to ordinary shareholders (diluted)</b>                                 |                 |                   |
| (Loss) for the Year , attributable to ordinary shareholders of the Company                        | (739.66)        | (5,671.93)        |
|   | <u>(739.66)</u> | <u>(5,671.93)</u> |
| <b>(ii) Weighted average number of ordinary shares (diluted)</b>                                  |                 |                   |
| Weighted Average number of equity shares outstanding (diluted)                                    | 4,10,000        | 4,10,000          |
| <b>Weighted Average number of Equity shares outstanding (diluted)</b>                             | <u>4,10,000</u> | <u>4,10,000</u>   |
| <b>Diluted Earnings Per Share (INR) (Face Value INR 10 each) (Previous year:<br/>INR 10 each)</b> | <b>(1.80)</b>   | <b>(13.83)</b>    |

# Godrej Hillside Properties Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2021

(Currency in INR Thousands)

### 17 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.

| As at 31 March 2021                 | Carrying amount                   |                 |                 | Fair value |               |          |               |
|-------------------------------------|-----------------------------------|-----------------|-----------------|------------|---------------|----------|---------------|
|                                     | Fair value through profit or loss | Amortised Cost  | Total           | Level 1    | Level 2       | Level 3  | Total         |
| <b>Financial Assets</b>             |                                   |                 |                 |            |               |          |               |
| <b>Non-Current</b>                  |                                   |                 |                 |            |               |          |               |
| Investment in Preference Shares     | 0.10                              | -               | 0.10            | -          | 0.10          | -        | 0.10          |
| Investment in Equity Instruments    | 50.00                             | -               | 50.00           | -          | 50.00         | -        | 50.00         |
| <b>Current</b>                      |                                   |                 |                 |            |               |          |               |
| Cash and cash equivalents           | -                                 | 444.10          | 444.10          | -          | -             | -        | -             |
| Bank balances other than above      | -                                 | 729.17          | 729.17          | -          | -             | -        | -             |
| Other Current Financial Assets      | -                                 | 39.06           | 39.06           | -          | -             | -        | -             |
|                                     | <b>50.10</b>                      | <b>1,212.33</b> | <b>1,262.43</b> | <b>-</b>   | <b>50.10</b>  | <b>-</b> | <b>50.10</b>  |
| <b>Financial Liabilities</b>        |                                   |                 |                 |            |               |          |               |
| <b>Current</b>                      |                                   |                 |                 |            |               |          |               |
| Borrowings                          | -                                 | 476.83          | 476.83          | -          | 476.83        | -        | 476.83        |
| Trade Payables                      | -                                 | 56.45           | 56.45           | -          | -             | -        | -             |
| Other Current Financial Liabilities | -                                 | 7,043.68        | 7,043.68        | -          | -             | -        | -             |
|                                     | <b>-</b>                          | <b>7,576.96</b> | <b>7,576.96</b> | <b>-</b>   | <b>476.83</b> | <b>-</b> | <b>476.83</b> |

| As at 31 March 2020                 | Carrying amount                   |                 |                 | Fair value |               |          |               |
|-------------------------------------|-----------------------------------|-----------------|-----------------|------------|---------------|----------|---------------|
|                                     | Fair value through profit or loss | Amortised Cost  | Total           | Level 1    | Level 2       | Level 3  | Total         |
| <b>Financial Assets</b>             |                                   |                 |                 |            |               |          |               |
| <b>Non-Current</b>                  |                                   |                 |                 |            |               |          |               |
| Investment in Preference Shares     | 0.10                              | -               | 0.10            | -          | 0.10          | -        | 0.10          |
| Investment in Equity Instruments    | 50.00                             | -               | 50.00           | -          | 50.00         | -        | 50.00         |
| <b>Current</b>                      |                                   |                 |                 |            |               |          |               |
| Cash and cash equivalents           | -                                 | 411.54          | 411.54          | -          | -             | -        | -             |
| Bank Balances other than above      | -                                 | 685.10          | 685.10          | -          | -             | -        | -             |
| Other Current Financial Assets      | -                                 | 39.81           | 39.81           | -          | -             | -        | -             |
|                                     | <b>50.10</b>                      | <b>1,136.45</b> | <b>1,186.55</b> | <b>-</b>   | <b>50.10</b>  | <b>-</b> | <b>50.10</b>  |
| <b>Financial Liabilities</b>        |                                   |                 |                 |            |               |          |               |
| <b>Current</b>                      |                                   |                 |                 |            |               |          |               |
| Borrowings                          | -                                 | 317.63          | 317.63          | -          | 317.63        | -        | 317.63        |
| Trade Payables                      | -                                 | 76.50           | 76.50           | -          | -             | -        | -             |
| Other Current Financial Liabilities | -                                 | 6,361.58        | 6,361.58        | -          | -             | -        | -             |
|                                     | <b>-</b>                          | <b>6,755.71</b> | <b>6,755.71</b> | <b>-</b>   | <b>317.63</b> | <b>-</b> | <b>317.63</b> |

# Godrej Hillside Properties Private Limited

## Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2021

(Currency in INR Thousands)

### 17 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 amortised cost and 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 for financial asset measured at fair value through profit and loss are classified as Level 2.
- (iii) The Company uses the Discounted Cash Flow valuation technique (in relation to borrowings measured at amortised cost and 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 Board of Directors have overall responsibility for establishment and oversight of the Company's risk management framework. The Company follows the Holding Company's risk management policies to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The management monitors compliance of risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The management is assisted in its oversight role by Holding Company's internal audit team. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the management.

#### d) Financial risk management

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

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

# Godrej Hillside Properties Private Limited

## Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2021

(Currency in INR Thousands)

### **17 Financial instruments – Fair values and risk management (*Continued*)**

#### **d) Financial risk management (*Continued*)**

##### **(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 receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure. The Company does not have any receivables as at March 31, 2021.

##### **Investment in Equity, LLP and Debt Securities**

The Company has investments in equity instruments, LLP and preference shares. The settlement of such instruments is linked to the completion of the respective underlying projects. Such Financial Assets are not impaired as on the reporting date.

##### **Cash and Bank balances**

Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy.

# Godrej Hillside Properties Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2021

(Currency in INR Thousands)

### 17 Financial instruments – Fair values and risk management (Continued)

#### d) 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 due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

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

For liquidity risk management in relation to current financial liabilities, the Company has financial support from its shareholders. Refer point (II) (j) of Note 1 - Significant Accounting Policy. (Note reference to be given for Going Concern Note mentioned in the Accounting Policy)

The Company does not have any derivative financial liabilities. The Company however invests its surplus funds in bank fixed deposits.

#### Exposure to liquidity risk

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

| As at 31 March 2021                 | Carrying Amount | Total    | Contractual cash flows |           |           |                   |
|-------------------------------------|-----------------|----------|------------------------|-----------|-----------|-------------------|
|                                     |                 |          | Within 12 months       | 1-2 years | 2-5 years | More than 5 years |
| <b>Financial Liabilities</b>        |                 |          |                        |           |           |                   |
| <b>Current</b>                      |                 |          |                        |           |           |                   |
| Borrowings                          | 476.83          | 476.83   | 476.83                 | -         | -         | -                 |
| Trade Payables                      | 56.45           | 56.45    | 56.45                  | -         | -         | -                 |
| Other Current Financial Liabilities | 7,043.68        | 7,043.68 | 7,043.68               | -         | -         | -                 |

| As at 31 March 2020                 | Carrying Amount | Total    | Contractual cash flows |           |           |                   |
|-------------------------------------|-----------------|----------|------------------------|-----------|-----------|-------------------|
|                                     |                 |          | Within 12 months       | 1-2 years | 2-5 years | More than 5 years |
| <b>Financial Liabilities</b>        |                 |          |                        |           |           |                   |
| <b>Current</b>                      |                 |          |                        |           |           |                   |
| Borrowings                          | 317.63          | 317.63   | 317.63                 | -         | -         | -                 |
| Trade Payables                      | 76.50           | 76.50    | 76.50                  | -         | -         | -                 |
| Other Current Financial Liabilities | 6,361.58        | 6,361.58 | 6,361.58               | -         | -         | -                 |

# Godrej Hillside Properties Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2021

(Currency in INR Thousands)

### 17 Financial instruments – Fair values and risk management (Continued)

#### d) Financial risk management (Continued)

##### (iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates 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

Currency risk is not material, as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

##### 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.

##### Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management is as follows:

| Particulars                | March 31, 2021         | March 31, 2020  |
|----------------------------|------------------------|-----------------|
| <b>Financial assets</b>    |                        |                 |
| Fixed rate instruments     | <u>1,148.29</u>        | <u>1,085.10</u> |
|                            | <u><b>1,148.29</b></u> | <u>1,085.10</u> |
| <b>Financial liability</b> |                        |                 |
| Fixed rate instruments     | <u>476.83</u>          | <u>317.63</u>   |
|                            | <u><b>476.83</b></u>   | <u>317.63</u>   |

##### c) 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.

### 18 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. However till revenue recognition starts it may be negative.

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

The Company's net debt to equity ratio is as follows:

| Particulars                     | March 31, 2021     | March 31, 2020 |
|---------------------------------|--------------------|----------------|
| Net debt                        | (696.44)           | (779.01)       |
| Total equity                    | (6,302.88)         | (5,563.22)     |
| <b>Net debt to Equity ratio</b> | <u><b>0.11</b></u> | <u>0.14</u>    |

**Notes Forming Part of Financial Statements (Continued)**

for the year ended March 31, 2021

(Currency in INR Thousands)

**19 Related Party Disclosure**

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

**I. 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).

**ii) Other Related Parties in Godrej Group**

Godrej Highrises Properties Private Limited (GHRPL)  
 Godrej Land Developers LLP (GLDLLP)  
 Godrej Home Developers Private Limited (GHDPL)  
 Godrej Highrises Realty LLP

**2. Key Management Personnel (Directors):**

1. Karan Singh Bolaria
2. Anubhav Gupta

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

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

| Particulars                                     | Godrej Properties Limited (i) | GLDLLP | GHRLLP     | Total      |
|---|-------------------------------|--------|------------|------------|
| <b>Transactions during the Year</b>             |                               |        |            |            |
| Interest Expense                                |                               |        |            |            |
| Current Year                                    | 31.63                         | -      | -          | 31.63      |
| Previous Year                                   | 1.82                          | -      | -          | 1.82       |
| Share of Profit/ (Loss) in LLP                  |                               |        |            |            |
| Current Year                                    | -                             | 16.01  | (682.28)   | (666.27)   |
| Previous Year                                   | -                             | -      | (5,514.97) | (5,514.97) |
| Borrowings Taken                                |                               |        |            |            |
| Current Year *                                  | 144.23                        | -      | -          | 144.23     |
| Previous Year                                   | 218.04                        | -      | -          | 218.04     |
| <b>Balance Outstanding as on March 31, 2021</b> |                               |        |            |            |
| Borrowings                                      |                               |        |            |            |
| As at March 31, 2021                            | 476.83                        | -      | -          | 476.83     |
| As at March 31, 2020                            | 317.63                        | -      | -          | 317.63     |
| Share of Loss from LLPs                         |                               |        |            |            |
| As at March 31, 2021                            | -                             | -      | 7,043.68   | 7,043.68   |
| As at March 31, 2020                            | -                             | -      | 6,361.40   | 6,361.40   |

In case of any fund requirement for development of project, GPL will provide financial assistance in form of loan or capital infusion as and when called upon by the LLP to enable it to continue its business operations as a going concern at least for the next twelve months.

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\* Includes Interest payable converted into Loan

# Godrej Hillside Properties Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2021

### 20 Contingent Liabilities and Commitments

#### a) Contingent Liabilities

| Matters   | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| I) Claims against Company not Acknowledged as debts       | Nil                                  | Nil                                  |
| II) Guarantees  | Nil                                  | Nil                                  |
| III) Other Money for which Company is contingently liable | Nil                                  | Nil                                  |

#### b) Commitments

| (i) Particulars    | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 |
|--------------------|--------------------------------------|--------------------------------------|
| Capital Commitment | Nil                                  | Nil                                  |

### 21 Payment to Auditors (net of taxes)

| Particulars               | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 |
|---------------------------|--------------------------------------|--------------------------------------|
| Statutory Audit Fees      | 50.00                                | 50.00                                |
| Reimbursement of Expenses | 2.96                                 | 4.43                                 |
| <b>Total</b>              | <b>52.96</b>                         | <b>54.43</b>                         |

- 22 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. Principal amount remaining unpaid to supplier at the end of the year is INR Nil

# Godrej Hillside Properties Private Limited

## Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2021

### 23 Segment Reporting

#### A. Basis of Segmentation

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

For management purposes, the Company has only one reportable segment namely, Development of real estate property. The Board of Directors of the Company acts 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. Geographical Information

The geographic information analyses the Company's revenue and Non-Current Assets other than financial instruments, deferred tax assets, post-employment benefit 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, 2021. (Previous Year : Nil)

As per our report of even date.

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

*Chartered Accountants*

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

#### For and on behalf of the Board of Directors of

**Godrej Hillside Properties Private Limited**

CIN: U70102MH2015PTC263237

#### MANSI PARDIWALLA

Partner

Membership No: 108511

#### NAMRATA MEHRA

Director

DIN: 08442778

#### ANUBHAV GUPTA

Director

DIN: 07589364

Mumbai

May 01, 2021

Mumbai

May 01, 2021