

# Godrej Genesis Facilities Management Private Limited

## Balance Sheet

as at March 31, 2020

(Currency in INR Thousands)

Particulars	Note	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	112.54	114.19
Deferred Tax Assets (Net)	3	97.13	0.91
Income Tax Assets (Net)		1,297.53	433.45
<b>Total Non-Current Assets</b>		<b>1,507.20</b>	<b>548.55</b>
<b>Current Assets</b>			
<b>Financial Assets</b>			
Trade Receivables	4	-	29,088.78
Bank Balances other than cash and cash equivalents	5	3,578.66	7,776.77
Other Current Financial Assets	6	13,691.87	2.59
Other Current Non Financial Assets	7	5,761.06	2,892.41
<b>Total Current Assets</b>		<b>23,031.59</b>	<b>39,760.55</b>
<b>TOTAL ASSETS</b>		<b>24,538.79</b>	<b>40,309.10</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	8	100.00	100.00
Other Equity		4,475.28	4,081.88
<b>Total Equity</b>		<b>4,575.28</b>	<b>4,181.88</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	9	8,269.71	-
Trade Payables			
total outstanding dues of micro enterprises and small enterprises (refer note 23)		-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		11,319.64	7,689.01
Other Current Non Financial Liabilities	10	332.94	28,227.25
Current Tax Liabilities (Net)		41.22	210.96
<b>Total Current Liabilities</b>		<b>19,963.51</b>	<b>36,127.22</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>24,538.79</b>	<b>40,309.10</b>
<b>Significant Accounting Policies</b>	1		

The accompanying notes 1 to 26 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 Genesis Facilities Management Private Limited**  
CIN: U45400WB2008PLC122810

**Mansi Pardiwalla**  
Partner  
Membership No: 108511

**Amandeep Singh**  
Director  
DIN : 07144214

**Subha Chakrabarti**  
Director  
DIN : 02203096

Mumbai  
May 8, 2020

Mumbai  
May 8, 2020

# Godrej Genesis Facilities Management Private Limited

## Statement of Profit and Loss

for the year ended March 31, 2020

(Currency in INR Thousands)

Particulars	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>INCOME</b>			
Revenue from Operations	11	48,561.01	41,531.94
Other Income	12	114.26	205.85
<b>Total Income</b>		<b>48,675.27</b>	<b>41,737.79</b>
<b>EXPENSES</b>			
Finance Costs	13	188.57	-
Depreciation Expense	14	60.05	22.52
Other Expenses	15	47,900.95	41,059.85
<b>Total Expenses</b>		<b>48,149.57</b>	<b>41,082.37</b>
<b>Profit before Tax</b>		<b>525.70</b>	<b>655.42</b>
<b>Tax Expense</b>			
Current Tax	3(b)	228.52	171.32
Prior Year Adjustment	3(b)	-	8.35
Deferred Tax (credit)	3(a)	(96.22)	(0.91)
<b>Total Tax Expense</b>		<b>132.30</b>	<b>178.76</b>
<b>Profit for the Year</b>		<b>393.40</b>	<b>476.66</b>
<b>Other Comprehensive Income</b>			
Items that will not be subsequently reclassified to profit or loss		-	-
<b>Other Comprehensive Income for the Year (Net of Tax)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the Year</b>		<b>393.40</b>	<b>476.66</b>
<b>Earnings Per Share (Amount in INR)</b>			
Basic	16	39.34	47.67
Diluted	16	39.34	47.67

### Significant Accounting Policies

1

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As per our report of even date.

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Director

DIN : 02203096

Mumbai

May 8, 2020

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# Godrej Genesis Facilities Management Private Limited

## Statement of Cash Flows

for the year ended March 31, 2020

(Currency in INR Thousands)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Cash Flow from Operating Activities</b>		
<b>Profit before Tax</b>	<b>525.70</b>	655.42
<b>Adjustments for:</b>		
Depreciation expense	60.05	22.52
Finance costs	188.57	-
Provision for expected credit loss	351.32	-
Interest income	(114.26)	(205.43)
<b>Operating profit before working capital changes</b>	<b>1,011.38</b>	472.51
<b>Changes in Working Capital:</b>		
(Decrease) / Increase in Non Financial Liabilities	(27,894.31)	18,496.54
Increase in Financial Liabilities	3,630.63	3,457.05
(Increase) in Non Financial Assets	(2,868.65)	(2,605.38)
Decrease / (Increase) in Financial Assets	15,047.66	(17,363.32)
Taxes Paid (net)	(12,084.67)	1,984.90
<b>Net cash flows (used in)/ generated from operating activities</b>	<b>(12,335.63)</b>	1,834.02
<b>Cash Flow from Investing Activities</b>		
Acquisition of property, plant and equipment	(58.40)	(136.71)
Redemption/(Investment) in fixed deposits	3,000.00	(2,500.00)
Decrease in bank balance other than cash and cash equivalents	1,198.11	597.66
Interest Received	114.78	205.04
<b>Net cash flows generated from / (used in) investing activities</b>	<b>4,254.49</b>	(1,834.02)
<b>Cash Flow from financing activities</b>		
Proceeds from short-term borrowings	8,269.71	-
Interest paid	(188.57)	-
<b>Net cash flows generated from financing activities</b>	<b>8,081.14</b>	-
<b>Net Increase in Cash and Cash Equivalents</b>	<b>-</b>	-
<b>Cash and Cash Equivalents - Opening Balance</b>	<b>-</b>	-
<b>Cash and Cash Equivalents - Closing Balance</b>	<b>-</b>	-

# Godrej Genesis Facilities Management Private Limited

## Statement of Cash Flows (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

### 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) Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes:

Particular	Reconciliation of liabilities arising from financing activities					As at March 31, 2020
	As at April 01, 2019	Changes in Statement of Cash Flows	Acquisition	Non Cash Changes Changes from losing control of subsidiary	Fair Value Changes	
Short-term borrowings	-	8,269.71	-	-	-	8,269.71

The accompanying notes 1 to 26 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 Genesis Facilities Management Private Limited  
CIN: U45400WB2008PLC122810

### Mansi Pardiwalla

Partner

Membership No: 108511

### Amandeep Singh

Director

DIN : 07144214

### Subha Chakrabarti

Director

DIN : 02203096

Mumbai  
May 8, 2020

Mumbai  
May 8, 2020

# Godrej Genesis Facilities Management Private Limited

## Statement of Changes in Equity

for the year ended March 31, 2020

(Currency in INR Thousands)

### a) Equity Share Capital

Particulars	As at March 31, 2020	As At March 31, 2019
Balance at the beginning of the year	100.00	100.00
Changes in equity share capital during the year	-	-
Balance at the end of the year	<u>100.00</u>	<u>100.00</u>

### b) Other Equity

Particulars	Reserve and Surplus Retained Earnings (refer Note (a) below)	Total
Balance as at April 01, 2018	3,605.22	3,605.22
Total Comprehensive Income:		
i) Profit for the year	476.66	476.66
Balance as at March 31, 2019	<u>4,081.88</u>	<u>4,081.88</u>

# Godrej Genesis Facilities Management Private Limited

## Statement of Changes in Equity (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

### b) Other Equity (Continued)

Particulars	Reserve and Surplus Retained Earnings (refer Note (a) below)	Total
Balance as at April 01, 2019	4,081.88	4,081.88
Total Comprehensive Income:		
i) Profit for the year	393.40	393.40
<b>Balance as at March 31, 2020</b>	<b>4,475.28</b>	<b>4,475.28</b>

#### (a) Retained Earnings

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

The accompanying notes 1 to 26 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 Genesis Facilities Management Private Limited**  
CIN: U45400WB2008PLC122810

**Mansi Pardiwalla**  
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**Amandeep Singh**  
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DIN : 02203096

Mumbai  
May 8, 2020

Mumbai  
May 8, 2020

# Godrej Genesis Facilities Management Private Limited

## Notes Forming Part of Financial Statements

for the year ended March 31, 2020

(Currency in INR Thousands)

### Note 1

#### I. Company Overview

Godrej Genesis Facilities Management Private Limited (“the Company”) having CIN No U70100MH2016PTC273316 is engaged primarily in the business of maintenance of commercial property of Godrej Genesis project of Godrej Projects Development Limited (holding company). The Company is a private limited Company incorporated on February 19, 2016 and 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 08, 2020.

##### 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 thousands, 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.

# Godrej Genesis Facilities Management Private Limited

## Notes forming part of financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

### Note 1 (Continued)

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

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

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

- *Evaluation of satisfaction of performance obligation at a point in time for the purpose of revenue recognition*

Determination of revenues under the satisfaction of performance obligation at a point in time necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the timing of satisfaction of performance obligation and the expected revenues from the project or activity. Estimates of project income, as well as project costs, are reviewed periodically. The Company recognizes revenue when it company satisfies its performance obligation.

- *Useful life and residual value of property, plant and equipment*

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II of the Act, they are based on internal technical evaluation. Assumptions are also made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised

The estimation of residual values of assets is based on management's judgement about the condition of such asset at the point of sale of asset.

- *Fair value measurement of financial instruments*

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

- *Recognition of deferred tax asset*

The deferred tax assets in respect of brought forward business losses is recognised based on reasonable certainty of the projected profitability, determined on the basis of approved business plans, to the extent that sufficient taxable income will be available to absorb the brought forward business losses.



# Godrej Genesis Facilities Management Private Limited

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

for the year ended March 31, 2020

(Currency in INR Thousands)

### Note 1 *(Continued)*

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

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

- *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) 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.

# Godrej Genesis Facilities Management Private Limited

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

for the year ended March 31, 2020

(Currency in INR Thousands)

### Note 1 *(Continued)*

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

##### f) Operating cycle

All assets and liabilities have been classified into current and non-current based on a period of twelve months.

##### g) Going Concern

The Company has been incorporated for the maintenance of commercial property of Godrej Genesis project of Godrej Projects Development Limited situated at Block EP and GP, Kolkata West Bengal. The management believes 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.

# Godrej Genesis Facilities Management Private Limited

## Notes forming part of financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

### III. Significant Accounting Policies

#### a) Property, plant and equipment and depreciation

##### i) Recognition and Measurement:

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment are derecognised from the financial statements, either on disposal or when no economic benefits are expected from its use or disposal. The gain or loss arising from disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment recognised in the statement of profit and loss in the year of occurrence.

Assets under construction includes the cost of property, plant and equipment that are not ready to use at the balance sheet date. Advances paid to acquire property, plant and equipment before the balance sheet date are disclosed under other non-current assets. Assets under construction are not depreciated as these assets are not yet available for use.

##### ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

##### iii) Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on property, plant and equipment of the Company has been provided using the written down value method based on the useful lives specified in Schedule II of the Act.

Assets costing less than INR 5,000 are depreciated at 100% in the year of acquisition.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

#### b) 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.

# Godrej Genesis Facilities Management Private Limited

## Notes forming part of financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

### Note 1 (Continued)

#### III. Significant Accounting Policies

##### b) Impairment of non-financial assets (continued)

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.

##### c) 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

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

# Godrej Genesis Facilities Management Private Limited

## Notes forming part of financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

### Note 1 (Continued)

### III. Significant Accounting Policies (Continued)

#### c) Financial instruments (continued)

##### 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.

##### 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.

# Godrej Genesis Facilities Management Private Limited

## Notes forming part of financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

### Note 1 (Continued)

### III. Significant Accounting Policies (Continued)

#### c) Financial instruments (Continued)

##### I. Financial assets (Continued)

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.
- b) Trade receivables.

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

##### II. Financial Liabilities

##### Classification

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

##### Initial recognition and measurement

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

##### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains

# Godrej Genesis Facilities Management Private Limited

## Notes forming part of financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

### Note 1 (Continued)

### III. Significant Accounting Policies (Continued)

#### c) Financial instruments (Continued)

##### II. Financial Liabilities (continued)

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.

#### d) Compound financial instruments

Compound financial instruments issued by the company comprises of convertible debentures denominated in INR that can be converted to equity shares at the option of the holder, wherein the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of a compound Financial instrument is initially recognised at the fair value of a similar liability that does not have equity conversion option. The Equity component is initially recognised as the difference between fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

# Godrej Genesis Facilities Management Private Limited

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

for the year ended March 31, 2020

(Currency in INR Thousands)

### Note 1 *(Continued)*

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

##### e) Revenue Recognition

The Company receives maintenance amount from the customers and utilises the same towards the maintenance of the respective projects. Revenue is recognised to the extent of maintenance expenses incurred by the Company towards maintenance of respective projects. Balance amount of maintenance expenses to be incurred is reflected as liability under the head other current liabilities.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract Liability is recognized when there is billing in excess of revenue and advance received from customers.

##### Interest income

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

Interest on delayed payment and forfeiture income are accounted based upon underlying agreements with customers.

##### f) Leases

###### Policy applicable before 01<sup>st</sup> April'2019

###### *Finance Lease*

Agreements are classified as finance leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

###### *Operating Lease*

Agreements which are not classified as finance leases are considered as operating lease.



# Godrej Genesis Facilities Management Private Limited

## Notes forming part of financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

### Note 1 (Continued)

### III. Significant Accounting Policies (Continued)

#### f) Leases (Continued)

Operating lease payments/income are recognised as an expense/income in the standalone statement of profit and loss on a straight-line basis over the lease term unless there is another systematic basis which is more representative of the time pattern of the lease.

#### Policy applicable after 01<sup>st</sup> April'2019

At the inception of a contract, the Company assesses whether a contract is or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration. To assess whether a contract conveys the right to control the use of an asset the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capability of a physical distinct asset. If the supplier has a substantive substitution right, then the asset is not identified
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

#### As a lessee

##### Right-of-Use Asset

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. At the commencement date, a lessee shall measure the right-of-use asset at cost which comprises initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee; and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

##### Lease Liability

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

##### Short-term lease and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of less than 12 months or less and leases of low-value assets, including IT Equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

# Godrej Genesis Facilities Management Private Limited

## Notes forming part of financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

### Note 1 (Continued)

### III. Significant Accounting Policies (Continued)

#### g) 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.

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

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

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

Deferred tax assets and liabilities are offset only if:

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

# Godrej Genesis Facilities Management Private Limited

## Notes forming part of financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

### Note 1 (Continued)

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

##### g) Income tax (continued)

###### *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*

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.

##### h) 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.

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

##### i) 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.

##### j) 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 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.

# Godrej Genesis Facilities Management Private Limited

## Notes forming part of financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

### Note 1 (Continued)

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

##### k) 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.

##### l) 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.

##### m) Segment reporting

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

##### n) Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

Godrej Genesis Facilities Management Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Thousands)

2 Property, Plant and Equipment

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK		
	As At April 01, 2019	Additions during the year	Deductions during the year	As at March 31, 2020	As at April 01, 2019	For the Year	Deductions	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
<b>Tangible Assets</b>										
Office Equipments	-	58.40	-	58.40	-	18.59	-	18.59	39.81	-
Site Equipments	6.51	-	-	6.51	0.16	2.87	-	3.03	3.48	6.35
Furniture and Fixtures	93.50	-	-	93.50	12.80	21.01	-	33.81	59.69	80.70
Computers	36.70	-	-	36.70	9.56	17.58	-	27.14	9.56	27.14
<b>Total Property, Plant and Equipment</b>	<b>136.71</b>	<b>58.40</b>	<b>-</b>	<b>195.11</b>	<b>22.52</b>	<b>60.05</b>	<b>-</b>	<b>82.57</b>	<b>112.54</b>	<b>114.19</b>

Godrej Genesis Facilities Management Private Limited

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

as at March 31, 2020

(Currency in INR Thousands)

**2 Property, Plant and Equipment (Continued)**

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK		
	As At April 01, 2018	Additions during the year	Deductions during the year	As At March 31, 2019	As at April 01, 2018	For the Year	Deductions	As at March 31, 2019	As At March 31, 2019	As At March 31, 2018
<b>Tangible Assets</b>										
Site Equipments		6.51		6.51		0.16		0.16	6.35	-
Furniture and Fixtures		93.50		93.50		12.80		12.80	80.70	-
Computers		36.70		36.70		9.56		9.56	27.14	-
<b>Total Property, Plant and Equipment</b>	<b>-</b>	<b>136.71</b>	<b>-</b>	<b>136.71</b>	<b>-</b>	<b>22.52</b>	<b>-</b>	<b>22.52</b>	<b>114.19</b>	<b>-</b>

Godrej Genesis Facilities Management Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Thousands)

3 Income Tax

a) Amounts recognised in the statement of profit and loss

Particulars	March 31, 2020	March 31, 2019
<b>Current Tax</b>	<b>228.52</b>	179.67
Current Tax	228.52	171.32
Tax Adjustment of Prior Years	-	8.35
<b>Deferred Tax (Credit)</b>		
Deferred Tax attributable to temporary differences	(96.22)	(0.91)
<b>Tax Expense for the year</b>	<b>132.30</b>	178.76

b) Movement in Deferred Tax Balances

Particulars	Balance as at April 01, 2019	Movement during the year			Balance as at March 31, 2020
		Recognised in Profit or Loss	Recognised in Other Equity	Recognised in OCI	
<b>Deferred Tax Assets</b>					
Property, Plant and Equipment	0.91	7.80	-	-	8.71
Trade receivables (ECL provision)	-	88.42	-	-	88.42
<b>Deferred Tax Assets</b>	<b>0.91</b>	<b>96.22</b>	<b>-</b>	<b>-</b>	<b>97.13</b>

Particulars	Balance as at April 01, 2018	Movement during the year			Balance as at March 31, 2019
		Recognised in Profit or Loss	Recognised in Other Equity	Recognised in OCI	
<b>Deferred Tax Assets</b>					
Property, Plant and Equipment	-	0.91	-	-	0.91
<b>Deferred Tax Assets</b>	<b>-</b>	<b>0.91</b>	<b>-</b>	<b>-</b>	<b>0.91</b>

c) Reconciliation of Effective Tax Rate

Particulars	March 31, 2020	March 31, 2019
<b>Profit before Tax</b>	<b>525.70</b>	655.42
Tax using the Company's domestic tax rate 25.17% (Previous Year: 26%)	132.30	170.41
<b>Tax effect of:</b>		
Adjustment for tax of prior years	-	8.35
<b>Tax expense recognised</b>	<b>132.30</b>	178.76

Notes:

a) 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 and accordingly, the Company has decided to adopt the new tax rate has recognised provision for income tax on the basis of the rate prescribed in the said new section and re-measured its deferred tax assets/liabilities accordingly for the year ended March 31, 2020.

b) On 30th March 2019, MCA has issued amendment regarding the income tax Uncertainty over Income Tax Treatments. As per the Company's assessment, there are no material income tax uncertainties over income tax treatments during the current financial year.

# Godrej Genesis Facilities Management Private Limited

## Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Thousands)

	March 31, 2020	March 31, 2019
<b>4 Trade Receivables</b>		
<i>To parties other than related parties</i>		
Unsecured, Considered Good	-	29,088.78
Trade Receivables which have significant increase in credit risk	<b>351.32</b>	-
Less: Allowance for Credit Risk	<b>(351.32)</b>	-
	<u>-</u>	<u>29,088.78</u>

## 5 Bank Balances other than above cash and cash equivalent

### Balances With Banks

In Current Accounts	578.66	1,776.77
In Fixed Deposit Accounts with maturity more than 3 months but less than 12 months (refer Note (a) below)	3,000.00	6,000.00
	<u>3,578.66</u>	<u>7,776.77</u>

(a) Balances with Banks in current accounts INR 578.66 Thousands (Previous Year: INR 1,776.77 Thousands) and Fixed Deposits INR 3,000.00 Thousand (Previous Year: INR 6,000.00 Thousands) is amount received from customers towards maintenance charges and is to be utilised for maintenance activity only.

	March 31, 2020	March 31, 2019
<b>6 Other Current Financial Assets</b>		
<b>Unsecured, Considered Good</b>		
<i>To parties other than related parties</i>		
Interest Accrued on Fixed Deposits	2.07	2.59
Amount receivable against maintenance of flats	<b>13,689.80</b>	-
	<u>13,691.87</u>	<u>2.59</u>

## 7 Other Current Non Financial Assets

### Unsecured, Considered Good

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

Balances with Government Authorities	952.29	2,415.56
Prepayments	<b>4,808.77</b>	476.85
	<u>5,761.06</u>	<u>2,892.41</u>



# Godrej Genesis Facilities Management Private Limited

## Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Thousands)

	March 31, 2020	March 31, 2019
<b>8 Equity Share Capital</b>		
<b>a) Authorised :</b>		
10,000 Equity Shares of INR 10/- each (Previous Year: 10,000 Equity Share of INR 10/- each)	100.00	100.00
	<u>100.00</u>	<u>100.00</u>
<b>b) Issued, Subscribed and Paid-Up:</b>		
10,000 Equity Shares of INR 10/- each (Previous Year: 10,000 Equity Shares of INR 10/- each) fully paid up	100.00	100.00
	<u>100.00</u>	<u>100.00</u>

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

Equity Shares :	March 31, 2020		March 31, 2019	
	No. of Shares	INR (In Thousands)	No. of Shares	INR (In Thousands)
Outstanding at the beginning of the year	10,000	100.00	10,000	100.00
Issued during the year				
Outstanding at the end of the year	10,000	100.00	10,000	100.00

**d) Shareholding Information**

Equity shares are held by :	March 31, 2020		March 31, 2019	
	INR (In Thousands)	%	INR (In Thousands)	%
Godrej Projects Development Limited (Holding Company) and its nominees	100.00	100.00	100.00	100.00

**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. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the Annual General Meeting except in case of interim dividend.

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

Particulars	March 31, 2020		March 31, 2019	
	No. of Shares	%	No. of Shares	%
<b>Equity shares</b>				
Godrej Projects Development Limited (Holding Company) and its nominees	10,000.00	100.00	10,000.00	100.00

**9 Borrowings (Current)**

Particulars	March 31, 2020	March 31, 2019
<b>From Related parties</b>		
Other Loans	8,269.71	
	<u>8,269.71</u>	<u>-</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 Non Financial Liabilities**

<i>To parties other than related parties</i>		
Statutory Dues (TDS)	332.94	8,341.73
Advances Received Against Maintenance of Flats	-	13,021.17
Other payables (management fees)	-	6,864.35
	<u>332.94</u>	<u>28,227.25</u>

# Godrej Genesis Facilities Management Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

	March 31, 2020	March 31, 2019
<b>11 Revenue from Operations</b>		
Maintenance income	48,105.61	41,116.14
<b>Other Operating Revenues</b>		
Lease Rent	455.40	415.80
	<u>48,561.01</u>	<u>41,531.94</u>
<b>12 Other Income</b>		
Interest Income	114.26	205.43
Miscellaneous Income	-	0.42
	<u>114.26</u>	<u>205.85</u>

# Godrej Genesis Facilities Management Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

	<b>March 31, 2020</b>	March 31, 2019
<b>13 Finance Costs</b>		
Interest Expense	<b>188.57</b>	-
	<u><b>188.57</b></u>	<u>-</u>
<b>14 Depreciation Expense</b>		
Depreciation on Property, Plant and Equipment	<b>60.05</b>	22.52
	<u><b>60.05</b></u>	<u>22.52</u>
<b>15 Other Expenses</b>		
Payment to Auditors (refer note 22)	<b>54.10</b>	53.32
Professional Fees	<b>15,378.68</b>	13,885.60
Electricity Charges	<b>14,773.78</b>	13,441.83
Security Charges	<b>5,370.47</b>	4,872.52
Repairs and Maintenance	<b>7,689.57</b>	2,010.80
Provision for expected credit loss	<b>351.32</b>	-
Other Maintenance Charges	<b>4,283.03</b>	6,795.78
	<u><b>47,900.95</b></u>	<u>41,059.85</u>

# Godrej Genesis Facilities Management Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

### 16 Earnings Per Share

#### a) Basic and Diluted 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.

	March 31, 2020	March 31, 2019
<b>(i) Profit attributable to ordinary shareholders (basic and diluted)</b>		
Profit for the Year, attributable to ordinary shareholders of the Company	393.40	476.66
	<u>393.40</u>	<u>476.66</u>
<b>(ii) Weighted average number of ordinary shares (basic and diluted)</b>		
Weighted Average number of equity shares at the beginning of the year	10,000	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>10,000</u>	<u>10,000</u>
<b>Basic and Diluted Earnings Per Share (INR) (Face Value INR 10 each) (Previous year: INR 10 each)</b>	<b>39.34</b>	<b>47.67</b>

# Godrej Genesis Facilities Management Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(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.

March 31, 2020	Carrying amount			Level 1	Fair value		Total
	Fair value through profit or loss	Amortised Cost	Total		Level 2	Level 3	
<b>Financial Assets</b>							
<b>Current</b>							
Bank balances other than cash and cash equivalents	-	3,578.66	3,578.66	-	-	-	-
Other Current Financial Assets	-	13,691.87	13,691.87	-	-	-	-
	-	<b>17,270.53</b>	<b>17,270.53</b>	-	-	-	-
<b>Financial Liabilities</b>							
<b>Current</b>							
Borrowings	-	8,269.71	8,269.71	-	-	-	-
Trade Payables	-	11,319.64	11,319.64	-	-	-	-
	-	<b>19,589.35</b>	<b>19,589.35</b>	-	-	-	-

March 31, 2019	Carrying amount			Level 1	Fair value		Total
	Fair value through profit or loss	Amortised Cost	Total		Level 2	Level 3	
<b>Financial Assets</b>							
<b>Current</b>							
Trade receivables	-	29,088.78	29,088.78	-	-	-	-
Bank balances other than cash and cash equivalents	-	7,776.77	7,776.77	-	-	-	-
Other Current Financial Assets	-	2.59	2.59	-	-	-	-
	-	<b>36,868.14</b>	<b>36,868.14</b>	-	-	-	-
<b>Financial Liabilities</b>							
<b>Current</b>							
Trade Payables	-	7,689.01	7,689.01	-	-	-	-
	-	<b>7,689.01</b>	<b>7,689.01</b>	-	-	-	-

# Godrej Genesis Facilities Management Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

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

#### b) 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.

#### c) 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 Genesis Facilities Management Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

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

#### c) 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.

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

##### Trade Receivables

Customer credit risk is managed by requiring customers to pay advances through progress billings before providing maintenance services, therefore substantially eliminating the Company's credit risk in this respect.

The Company's credit risk with regard to trade receivable has a high degree of risk diversification due to the project having numerous customers.

As per simplified approach, the Company makes provision of expected credit losses on trade receivables to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

Particulars	March 31, 2020	March 31, 2019
Opening balance	-	-
Add: Impairment loss recognised	351.32	-
Closing balance	351.32	-

##### 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 Genesis Facilities Management Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

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

#### c) 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.

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:

March 31, 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	8,269.71	8,269.71	8,269.71	-	-	-
Trade Payables	11,319.64	11,319.64	11,319.64	-	-	-

March 31, 2019	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>						
Trade Payables	7,689.01	7,689.01	7,689.01	-	-	-



# Godrej Genesis Facilities Management Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

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

#### c) 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.

##### 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.

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:

INR (in Thousands)

Particulars	March 31, 2020	March 31, 2019
Net debt	4,691.05	(7,776.77)
Total equity	4,575.28	4,181.88
<b>Net debt to Equity ratio</b>	<b>1.03</b>	<b>(1.86)</b>

# Godrej Genesis Facilities Management Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

### 19 Ind AS 115 - Revenue from Contracts with Customers

(a) The amount of INR 48,105.61 Thousands (Previous Year: INR 41,116.14 Thousands) recognised in contract liabilities at the beginning of the year has been recognised as revenue during the year ended March 31, 2020.

(b) Reconciliation of revenue as per contract price and as recognised in the statement of profit and loss:

Particulars	March 31, 2020	March 31, 2019
Revenue from contracts with customers as per contract price and statement of profit and loss	48,105.61	41,116.14

### (c) Performance obligation

The Company engaged primarily in the business of maintenance of real estate properties.

All the Contracts entered with the customers consists of a single performance obligation thereby the consideration allocated to the performance obligation is based on standalone selling prices.

Revenue is recognised to the extent of maintenance expenses incurred by the Company towards maintenance of respective projects.

The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established and the Company does not give significant credit period resulting in no significant financing component

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Company's input methods of revenue recognition as the amounts are not reflective of our transferring control of services to the customer. Determination of revenues under the satisfaction of performance obligation at a point in time necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the timing of satisfaction of performance obligation and the expected revenues from the project or activity. Estimates of project income, as well as project costs, are reviewed periodically. The Company recognizes revenue when it company satisfies its performance obligation

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at March 31, 2020 is INR NIL Thousands (Previous Year: 13,021.17 Thousands). This will be recognised as revenue over a period of 1-3 years .

Godrej Genesis Facilities Management Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

20 Related Party Disclosure

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

1. Relationships:

1. Shareholders:

Godrej Projects Development Limited - Holding Company.

Godrej Projects Development Limited is the subsidiary of Godrej Properties Limited. Godrej Properties Limited is the subsidiary of Godrej Industries Limited.

2. Key Management Personnel :

1. Amandeep Singh
2. Subha Chakrabarti

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 above

Particulars	Godrej Properties Limited 2 (i)	Godrej Project Development Limited 1 (i)	Total
<b>Transactions during the Year</b>			
Expenses charged by other Companies / Entities			
Current Year	-	6,775.20	6,775.20
Previous Year	264.41	9,324.01	9,588.42
Expenses Repaid during the year			
Current Year	-	10,432.94	10,432.94
Previous Year	264.41	2,459.66	2,724.07
Interest Expense			
Current Year	188.57	-	188.57
Previous Year	-	-	-
Borrowings Taken			
Current Year	18,969.71	-	18,969.71
Previous Year	-	-	-
Borrowings repaid			
Current Year	10,700.00	-	10,700.00
Previous Year	-	-	-
<b>Balance Outstanding as on March 31, 2020</b>			
Amount Payables			
As at March 31, 2020	8,269.71	3,748.62	12,018.33
As at March 31, 2019	-	6,864.33	6,864.33

# Godrej Genesis Facilities Management Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

### 21 Contingent Liabilities and Commitments

#### a) Contingent Liabilities

Matters	March 31, 2020	March 31, 2019
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	March 31, 2020	March 31, 2019
Capital Commitment (includes for CWIP under Construction)	Nil	Nil

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

Particulars	March 31, 2020	March 31, 2019
Statutory Audit Fees	50.00	50.00
Reimbursement of Expenses	4.10	3.32
<b>Total</b>	<b>54.10</b>	<b>53.32</b>

# Godrej Genesis Facilities Management Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Thousands)

- 23 The Company does not have any Vendors as per the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

Particulars	March 31, 2020	March 31, 2019
(a) The principal amount remaining unpaid to any supplier as at the end of the accounting year;	Nil	Nil
(b) The interest due thereon remaining unpaid to any supplier as at the end of the accounting year;	Nil	Nil
(c) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(d) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);	Nil	Nil
(e) The amount of interest accrued and remaining unpaid at the end of accounting year	Nil	Nil
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

## 24 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 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

None of the customers for the year ended March 31, 2020 and March 31, 2019 constituted 10% or more of the total revenue of the Company.

- 25 The Company has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Investments and other assets / liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information. As on current date, the Company has concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any.

- 26 The disclosure regarding details of specified bank note held and transacted during 8 November 2016 to 30 December 2016 have not made since the requirement does not pertain to financial year ended March 31, 2020.

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 Genesis Facilities Management Private Limited**  
CIN: U45400WB2008PLC122810

**Mansi Pardiwalla**  
Partner  
Membership No: 108511

**Amandeep Singh**  
Director  
DIN : 07144214

**Subha Chakrabarti**  
Director  
DIN : 02203096

Mumbai  
May 8, 2020

Mumbai  
May 8, 2020