

Godrej Green Woods Private Limited

Balance Sheet

as at March 31, 2022

(Currency in INR Lakhs)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	26.15	24.93
Income Tax Assets (Net)		1.08	-
Total Non-Current Assets		27.23	24.93
Current Assets			
Inventories	3	1,73,189.68	1,52,133.25
Financial Assets			
Cash and Cash Equivalents	4	1.29	0.06
Other Current Financial Assets	5	1.50	1.50
Other Current Non Financial Assets	6	204.18	135.78
Total Current Assets		1,73,396.65	1,52,270.59
TOTAL ASSETS		1,73,423.88	1,52,295.52
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	7	6,400.00	6,400.00
Other Equity		(852.20)	(398.52)
Total Equity		5,547.80	6,001.48
LIABILITIES			
Current Liabilities			
Financial Liabilities			
Borrowings	8	49,048.40	23,186.21
Trade Payables	9		
total outstanding dues of micro enterprises and small enterprises (refer note 24)		607.68	8.37
total outstanding dues of creditors other than micro enterprises and small enterprises		1,09,267.74	1,16,165.63
Other Current Financial Liabilities	10	8,898.22	6,878.71
Other Current Non Financial Liabilities	11	54.04	55.12
Total Current Liabilities		1,67,876.08	1,46,294.04
TOTAL EQUITY AND LIABILITIES		1,73,423.88	1,52,295.52

Significant Accounting Policies

1

The accompanying notes 1 to 28 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 Green Woods Private Limited

CIN: U45309MH2020PTC340019

sd/-

MANSI PARDIWALLA

Partner

Membership No: 108511

Mumbai

sd/-

GAURAV PANDEY

Director

DIN: 07229661

Gurugram

sd/-

GREETIKA TREHAN

Manager

DIN: 08309875

Delhi

sd/-

SANKET PAWAR

Company Secretary

ICSI Memb. No-A47485

Mumbai

sd/-

SUSHIL KUMAR

Chief Financial Officer

Gurugram

Godrej Green Woods Private Limited

Statement of Profit and Loss

For the year ended March 31, 2022

(Currency in INR Lakhs)

Particulars	Note	For the year ended March 31, 2022	For the period from May 26, 2020 to March 31, 2021
INCOME			
Other Income	12	-	9.72
Total Income		-	9.72
EXPENSES			
Cost of Materials Consumed	13	21,056.43	1,52,133.25
Change in inventories of construction work-in-progress	14	(21,056.43)	(1,52,133.25)
Finance Costs	15	0.09	9.93
Depreciation Expense	16	18.57	0.70
Other Expenses	17	435.02	397.61
Total Expenses		453.68	408.24
(Loss) before Tax		(453.68)	(398.52)
Tax Expense			
Current Tax		-	-
Deferred Tax (Credit)		-	-
Total Tax Expense		-	-
(Loss) for the year/period		(453.68)	(398.52)
Other Comprehensive Income			
Items that will not be subsequently reclassified to profit or loss		-	-
Other Comprehensive Income for the Year/Period (Net of Tax)		-	-
Total Comprehensive Income for the Year/Period		(453.68)	(398.52)
Earnings Per Share (Amount in INR)			
Basic	18	(0.71)	(0.62)
Diluted	18	(0.71)	(0.62)

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Statement of Cash Flows

For the year ended March 31, 2022

(Currency in INR Lakhs)

Particulars	For the year ended March 31, 2022	For the period from May 26, 2020 to March 31, 2021
Cash Flow from Operating Activities		
(Loss) before Tax	(453.68)	(398.52)
Adjustments for:		
Depreciation expenses	18.57	0.70
Finance costs	0.09	9.93
Profit on sale of investments (net)	-	(9.72)
Operating (loss) before working capital changes	(435.02)	(397.61)
Changes in Working Capital:		
(Decrease)/Increase in Non Financial Liabilities	(1.08)	55.12
(Decrease)/Increase in Financial Liabilities	(4,273.10)	659.00
(Increase) in Inventories	(18,592.26)	(23,965.23)
(Increase) in Non Financial Assets	(68.40)	(135.78)
(Increase) in Financial Assets	-	(1.50)
	(22,934.85)	(23,388.39)
Direct Taxes Paid (net)	(1.08)	-
Net cash flows (used in) operating activities	(23,370.95)	(23,786.00)
Cash Flow from Investing Activities		
Acquisition of property, plant and equipments	(19.79)	(25.63)
Proceeds from Sale of Mutual Funds (net)	-	9.72
Net cash flows (used in) investing activities	(19.79)	(15.91)
Cash Flow from financing activities		
Proceeds from Issue of equity share capital (net of issue expenses)	-	6,400.00
Proceeds from short-term borrowings (net)	23,391.97	22,381.91
Interest paid	-	(4,979.94)
Net cash flows generated from financing activities	23,391.97	23,801.97
Net Increase in Cash and Cash Equivalents	1.23	0.06
Cash and Cash Equivalents - Opening Balance	0.06	-
Cash and Cash Equivalents - Closing Balance	1.29	0.06

Godrej Green Woods Private Limited

Statement of Cash Flows (Continued)

For the year ended March 31, 2022

(Currency in INR Lakhs)

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 March 31, 2022	For the period from May 26, 2020 to March 31, 2021
Cash and Cash Equivalents (refer Note 4)	1.29	0.06
Cash and Cash Equivalents as per Statement of Cash Flows	1.29	0.06

(c) 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, 2022
	As at March 31, 2021	Changes in Statement of Cash Flows	Acquisition	Non Cash Changes Other Non Cash Movement (Interest Accrued)	Fair Value Changes	
Short-term borrowings	23,186.21	23,391.97	-	2,470.22	-	49,048.40

Particular	Reconciliation of liabilities arising from financing activities					As at March 31, 2021
	As at May 26, 2020	Changes in Statement of Cash Flows	Acquisition	Non Cash Changes Other Non Cash Movement (Interest Accrued)	Fair Value Changes	
Short-term borrowings	-	22,381.91	-	804.30	-	23,186.21

The accompanying notes 1 to 28 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

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CIN: U45309MH2020PTC340019

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SUSHIL KUMAR

Chief Financial Officer

Gurugram

Godrej Green Woods Private Limited

Statement of Changes in Equity

For the year ended March 31, 2022

(Currency in INR Lakhs)

a) Equity Share Capital

Particulars	As At March 31, 2022	As At March 31, 2021
Balance at the beginning of the year	6,400.00	-
Changes in equity share capital during the period	-	6,400.00
Balance at the end of the year	<u>6,400.00</u>	<u>6,400.00</u>

b) Other Equity

Particulars	Reserve and Surplus Retained Earnings (refer Note (a) below)	Total
Balance as at May 26, 2020	-	-
Total Comprehensive Income:		
i) Loss for the period	(398.52)	(398.52)
Balance as at March 31, 2021	<u>(398.52)</u>	<u>(398.52)</u>

Particulars	Reserve and Surplus Retained Earnings (refer Note (a) below)	Total
Balance as at Apr 01, 2021	(398.52)	(398.52)
Total Comprehensive Income:		
i) Loss for the year	(453.68)	(453.68)
Balance as at March 31, 2022	<u>(852.20)</u>	<u>(852.20)</u>

(a) Retained Earnings

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

The accompanying notes 1 to 28 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 Green Woods Private Limited
CIN: U45309MH2020PTC340019

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SUSHIL KUMAR
Chief Financial Officer

Mumbai

Mumbai

Gurugram

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements

for the year ended March 31, 2022

Note 1

I. Company Overview

Godrej Green Woods Private Limited (“the Company”) having CIN: U45309MH2020PTC340019 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, 2022 were authorized for issue by the Company’s Board of Directors on April 28, 2022

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 lakh, 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 recognized prospectively in current and future periods.

Godrej Green Woods Private Limited

Notes forming part of financial statements (*Continued*) for the year ended March 31, 2022

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 for the purpose of revenue recognition*

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

- *Evaluation of Net realizable Value of Inventories*

Inventories comprising of construction-work-in progress are valued at lower of cost and net realizable value. Net Realizable value is based upon the estimates of the management. The effect of changes, if any, to the estimates is recognized in the financial statements for the period in which such changes are determined.

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

Useful lives of tangible and intangible 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 capitalized and which components of the cost of the asset may be capitalized

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 recognized 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 Green Woods Private Limited

Notes forming part of financial statements *(Continued)* for the year ended March 31, 2022

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) Standard issued but not yet effective

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 01, 2022.

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 categorized 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 categorized 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 recognizes 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 Green Woods Private Limited

Notes forming part of financial statements (Continued)
for the year ended March 31, 2022

III. Significant Accounting Policies (Continued)

h) Going Concern

The Company has been incorporated to develop a residential project on land admeasuring area 1,07,710 sq. mtrs. in Ashok Vihar, Delhi which is estimated to be launched in next financial year. Based on the future business plans for the Company, the management believe that the Company will continue to operate as a going concern for the foreseeable future, realize 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 or continuing operation of company, shareholders shall arrange/fund in form of Equity/Loan.

i) Property, plant and equipment and depreciation

(i) Recognition and Measurement:

Items of property, plant and equipment, other than Freehold Land, are measured at cost less accumulated depreciation and impairment losses, if any. Freehold Land is carried at cost and is not depreciated. 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 derecognized 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 recognized 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 capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the expenditure can be measured reliably.

Godrej Green Woods Private Limited

Notes forming part of financial statements *(Continued)*
for the year ended March 31, 2022

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

Property, plant and equipment and depreciation *(Continued)*

(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, other than freehold Land, of the Company has been provided using the written down value method based on the useful lives specified in Schedule II of the Act. The useful lives of motor vehicles are estimated in the range of 3-8 years. These lives are different from those indicated in Schedule II and based on internal technical evaluation.

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 by management at each financial year-end and adjusted if appropriate.

j) Intangible assets and amortization

i) Recognition and measurement:

Items of Intangible Assets are measured at cost less accumulated amortization and impairment losses, if any. The cost of intangible assets 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.

ii) Subsequent expenditure

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

iii) Amortization

Intangible assets are amortized over their estimated useful life using straight line method.

Intangible assets are amortized over a period of six years.

Amortization method, useful lives and residual values are reviewed by management at the end of each financial year and adjusted if appropriate.

Godrej Green Woods Private Limited

Notes forming part of financial statements *(Continued)*
for the year ended March 31, 2022

Note 1 *(Continued)*

III. Significant Accounting Policies (Continued)

k) 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 recognized for such excess amount. The impairment loss is recognized 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 recognized 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 recognized 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 recognized.

l) Foreign currency transactions

Transactions in foreign currencies are translated into the Company's functional currency at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into functional currency at the exchange rate when the fair value was determined.

Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the statement of profit and loss in the period in which they arise.

Godrej Green Woods Private Limited

Notes forming part of financial statements (Continued) for the year ended March 31, 2022

Note 1 (Continued)

III. Significant Accounting Policies (Continued)

m) Financial instruments

I. Financial assets

Classification

The Company classifies financial assets as subsequently measured at amortized 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 recognized when they originate.

The Company recognizes 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 recognized 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 amortized cost
- Debt instruments at fair value through profit or loss
- Equity investments

Debt instruments at amortized cost

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the 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 amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

Godrej Green Woods Private Limited

Notes forming part of financial statements (*Continued*) for the year ended March 31, 2022

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

m) Financial instruments (*Continued*)

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 cash flow 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 recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized 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 amortized cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables.

I. *Financial Assets*

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes 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 amortized cost.

Godrej Green Woods Private Limited

Notes forming part of financial statements *(Continued)* for the year ended March 31, 2022

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

m) Financial instruments *(Continued)*

Initial recognition and measurement

All financial liabilities are recognized 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 amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized.

Amortized cost is calculated by taking into account any discount or premium on acquisition and transactions costs. The EIR amortization 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 derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized 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 recognized amounts and there is an intention to settle them on a net basis or to realize 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 recognized as a deduction from equity.

Godrej Green Woods Private Limited

Notes forming part of financial statements *(Continued)*
for the year ended March 31, 2022

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

n) Inventories

Inventories are valued as under:

- a) Construction Work-in-Progress - At Lower of Cost and Net realizable value.

Cost is determined based on a weighted average basis.

Construction Work-in-Progress/Finished Goods includes cost of land, premium for development rights, construction costs, allocated interest and expenses incidental to the projects undertaken by the Company.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The inventory of construction work-in-progress is not written down below cost if flats /properties are expected to be sold at or above cost.

o) Revenue Recognition

Sale of Real Estate Development

The Company derives revenues primarily from sale of properties comprising of residential units.

The Company recognises revenue when it determines the satisfaction of performance obligations as determined by the terms of contract with customers at a point in time. Subsequently the Company records revenue over time till the possession to the customers. Revenue is recognised upon transfer of control of promised products to customer in an amount that reflects the consideration which the Group expects to receive in exchange for those products.

In arrangements for sale of units the Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering sale of units as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance

Godrej Green Woods Private Limited

Notes forming part of financial statements (*Continued*) for the year ended March 31, 2022

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

o) Revenue Recognition (*Continued*)

obligation of a contract at its relative selling price. The price that is regularly charged for an item when sold separately is the best evidence of its selling price. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

Contract assets are recognized 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 liabilities are 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.

p) Income tax

Income tax expense comprises current tax and deferred tax. It is recognized in the statement of profit and loss except to the extent that it relates to items recognized 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 recognized amounts; and
- b) Intends either to realize the asset or settle the liability on a net basis or simultaneously.

Deferred tax

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

Godrej Green Woods Private Limited

Notes forming part of financial statements (*Continued*) for the year ended March 31, 2022

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

p) Income Tax (*Continued*)

Deferred tax assets are recognized 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 realized. 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 realized; such reductions are reversed when the probability of future taxable profits improves. Deferred tax liabilities are recognized for taxable temporary differences.

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

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

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

Deferred tax assets and liabilities are offset only if:

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

Minimum Alternative Tax (MAT)

MAT credit is recognized 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.

q) 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 recognized as an expense in the year which they are incurred.

Godrej Green Woods Private Limited

Notes forming part of financial statements *(Continued)* for the year ended March 31, 2022

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

r) 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.

s) 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.

t) Provisions and contingent liabilities

A provision is recognized 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 recognized 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 recognized in the financial statements. However, the same are disclosed in the financial statements where an inflow of economic benefit is probable.

Godrej Green Woods Private Limited

Notes forming part of financial statements *(Continued)*
for the year ended March 31, 2022

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

u) 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.

v) Segment reporting

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

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2022

(Currency in INR Lakhs)

2 Property, Plant and Equipment

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
	As At March 31, 2021	Additions during the year	Deductions during the year	As at March 31, 2022	As At March 31, 2021	For the year	Deductions	As at March 31, 2022	As at March 31, 2022	As At March 31, 2021
Tangible Assets										
Office Equipments	3.42	0.89	-	4.31	0.05	1.65	-	1.70	2.61	3.37
Site Equipments	17.68	-	-	17.68	0.02	7.96	-	7.98	9.70	17.66
Computers	4.53	18.90	-	23.43	0.63	8.96	-	9.59	13.84	3.90
Total Property, Plant and Equipment	25.63	19.79	-	45.42	0.70	18.57	-	19.27	26.15	24.93

2 Property, Plant and Equipment (Continued)

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
	As At May 26, 2020	Additions during the period	Deductions during the period	As At March 31, 2021	As At May 26, 2020	For the period	Deductions	As At March 31, 2021	As At March 31, 2021	As At May 26, 2020
Tangible Assets										
Office Equipments	-	3.42	-	3.42	-	0.05	-	0.05	3.37	-
Site Equipments	-	17.68	-	17.68	-	0.02	-	0.02	17.66	-
Computers	-	4.53	-	4.53	-	0.63	-	0.63	3.90	-
Total Property, Plant and Equipment	-	25.63	-	25.63	-	0.70	-	0.70	24.93	-

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (*Continued*)

as at March 31, 2022

(Currency in INR Lakhs)

	March 31, 2022	March 31, 2021
3 Inventories (Valued at lower of Cost and Net Realisable Value)		
Construction Work-in-Progress (refer note 14)	1,73,189.68	1,52,133.25
	<u>1,73,189.68</u>	<u>1,52,133.25</u>
4 Cash and Cash Equivalents		
Cash-On-Hand	0.04	0.04
Balances With Banks		
In Current Accounts	1.25	0.02
	<u>1.29</u>	<u>0.06</u>
5 Other Current Financial Assets		
Unsecured, Considered Good		
<i>To parties other than related parties</i>		
Deposits - Others	1.50	1.50
	<u>1.50</u>	<u>1.50</u>
6 Other Current Non Financial Assets		
Unsecured, Considered Good		
<i>To parties other than related parties</i>		
Advance to Suppliers and Contractors	204.07	135.01
Prepayments	0.11	0.77
	<u>204.18</u>	<u>135.78</u>

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2022

(Currency in INR Lakhs)

	March 31, 2022	March 31, 2021
7 Equity Share Capital		
a) Authorised :		
6,40,00,000 Equity Shares of INR 10/- each	6,400.00	6,400.00
<i>(Previous Year 6,40,00,000 Equity Shares of INR 10/- each)</i>	<u>6,400.00</u>	<u>6,400.00</u>
b) Issued, Subscribed and Fully Paid-Up:		
6,40,00,000 Equity Shares of INR 10/- each fully paid up	6,400.00	6,400.00
<i>(Previous Year 6,40,00,000 Equity Shares of INR 10/- each)</i>	<u>6,400.00</u>	<u>6,400.00</u>

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

Equity Shares :	March 31, 2022		March 31, 2021	
	No. of Shares	INR (In Lakhs)	No. of Shares	INR (In Lakhs)
Outstanding at the beginning of the year/period	6,40,00,000	6,400.00	-	-
Issued during the year/period	-	-	6,40,00,000	6,400.00
Outstanding at the end of the year/period	<u>6,40,00,000</u>	<u>6,400.00</u>	<u>6,40,00,000</u>	<u>6,400.00</u>

d) Shareholding Information

Equity shares are held by :	March 31, 2022		March 31, 2021	
	No. of Shares	%	No. of Shares	%
Godrej Properties Limited (Holding Company) and Nominee Shareholders	6,400.00	100%	6,400.00	100%

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, 2022		March 31, 2021	
	No. of Shares	%	No. of Shares	%
Equity shares				
Godrej Properties Limited (Holding Company) and Nominee Shareholders	6,40,00,000	100%	6,40,00,000	100%

g) Promoters Shareholding

Shares held by Promoters as at March 31, 2022			
Promoter Name	No. of Shares	% of total Shares	% change during the year
Godrej Properties Limited	6,39,99,999	100.00%	0.00%
Godrej Projects Development Limited (nominee of Godrej Properties Limited)	1	0.00%	0.00%

Shares held by Promoters as at March 31, 2021			
Promoter Name	No. of Shares	% of total Shares	% change from the date of issue
Godrej Properties Limited	6,39,99,999	100.00%	100.00%
Godrej Projects Development Limited (nominee of Godrej Properties Limited)	1	0.00%	0.00%

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2022

(Currency in INR Lakhs)

8 Borrowings (Current)

Particulars	March 31, 2022	March 31, 2021
Unsecured Loan	49,048.40	23,186.21
	<u>49,048.40</u>	<u>23,186.21</u>

(a) Unsecured Loan is taken from related party bearing interest at the rate of 7% pa (previous year-8% pa) is repayable on demand from surplus cash flows as per the terms of Loan Agreement

9 Trade Payables

	March 31, 2022	March 31, 2021
Total Outstanding Dues of Micro Enterprises and Small Enterprises	607.68	8.37
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	1,09,267.74	1,16,165.63
	<u>1,09,875.42</u>	<u>1,16,174.00</u>

(a) Trade Payables ageing schedule as at March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	607.68	-	-	-	-	607.68
(ii) Others	1,08,788.09	485.62	-	-	-	1,09,273.71
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	1,09,395.77	485.62	-	-	-	1,09,881.39

Trade Payables ageing schedule as at March 31, 2021

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	8.37	-	-	-	-	8.37
(ii) Others	1,15,586.08	583.19	-	-	-	1,16,169.27
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	1,15,594.45	583.19	-	-	-	1,16,177.64

10 Other Current Financial Liabilities

	March 31, 2022	March 31, 2021
Other Liabilities (Refer (a) below)	8,898.22	6,878.71
	<u>8,898.22</u>	<u>6,878.71</u>

(a) As per the payment schedule of lease premium of 1,35,900.00 Lakhs, as mentioned in the Bid Documents Part-III (part of bid form-12) dated 4th October, 2019 payable to Rail Land & Development Authority (RLDA), interest is accrued @12% pa (previous year 12% pa) on the balance lease premium till the due date of instalment comes. Balance lease premium for current year is 1,08,720.00 Lakhs (previous year 1,15,515.00 Lakhs)

11 Other Current Non Financial Liabilities

To parties other than related parties

Statutory Dues (Including Goods & Services Tax and Tax Deducted as Sources)	54.04	55.12
	<u>54.04</u>	<u>55.12</u>

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued)

For the year ended March 31, 2022

(Currency in INR Lakhs)

	For the year ended March 31, 2022	For the period from May 26, 2020 to March 31, 2021
12 Other Income		
Profit on Sale of Investments (net)	-	9.72
	<u>-</u>	<u>9.72</u>
13 Cost of Materials Consumed		
Land Cost	1.36	1,36,382.70
Construction, Material and Labour	3,883.29	1,475.17
Architect Fees	8.97	424.32
Other Costs	1,073.76	1,198.04
Finance Costs	16,089.05	12,653.02
	<u>21,056.43</u>	<u>1,52,133.25</u>
14 Change in inventories of construction work-in-progress		
Inventories at the beginning of the year/period		
Construction Work-in-Progress	1,52,133.25	-
	<u>1,52,133.25</u>	<u>-</u>
Inventories at the end of the year/period		
Construction Work-in-Progress	1,73,189.68	1,52,133.25
	<u>1,73,189.68</u>	<u>1,52,133.25</u>
	<u>(21,056.43)</u>	<u>(1,52,133.25)</u>
15 Finance Costs		
Interest Expense	16,043.53	11,782.52
Interest on Income Tax	0.08	0.22
Total Interest Expense	<u>16,043.61</u>	<u>11,782.74</u>
Other Borrowing costs	45.53	880.21
Total Finance Costs	<u>16,089.14</u>	<u>12,662.95</u>
Less : Transferred to construction work-in-progress	<u>(16,089.05)</u>	<u>(12,653.02)</u>
Net Finance Costs	<u>0.09</u>	<u>9.93</u>
16 Depreciation Expense		
Depreciation on Property, Plant and Equipment	18.57	0.70
	<u>18.57</u>	<u>0.70</u>
17 Other Expenses		
Consultancy Charges	23.16	67.90
Insurance	0.33	-
Rates and Taxes	0.20	-
Advertisement and Marketing Expenses	230.32	259.13
Payment to Auditors (refer note 23)	1.30	1.18
Business Support Services	110.41	-
Other Expenses	69.30	69.40
	<u>435.02</u>	<u>397.61</u>

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued)

For the year ended March 31, 2022

(Currency in INR Lakhs)

18 Earnings Per Share

a) Basic and Diluted Earnings Per Share

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

	For the year ended March 31, 2022	For the period from May 26, 2020 to March 31, 2021
(i) (Loss) attributable to ordinary shareholders (basic and diluted)		
(Loss) for the Year/Period, attributable to ordinary shareholders of the Company	(453.68)	(398.52)
	<u>(453.68)</u>	<u>(398.52)</u>
(ii) Weighted average number of ordinary shares (basic and diluted)		
Weighted Average number of equity shares at the beginning of the year/period	6,40,00,000	-
Add: Weighted Average number of equity shares issued during the year/period	-	6,40,00,000
Weighted Average number of Equity Shares at the end of the year/period	<u>6,40,00,000</u>	<u>6,40,00,000</u>
Basic and Diluted Earnings Per Share (INR) (Face Value INR 10 each)	(0.71)	(0.62)

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (*Continued*)

For the year ended March 31, 2022

(Currency in INR Lakhs)

19 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 March 31, 2022	Carrying amount			Level 1	Fair value		
	Fair value through profit or loss	Amortised Cost	Total		Level 2	Level 3	Total
Financial Assets							
Current							
Cash and cash equivalents	-	1.29	1.29	-	-	-	-
Other Current Financial Assets	-	1.50	1.50	-	-	-	-
	-	2.79	2.79	-	-	-	-
Financial Liabilities							
Current							
Borrowings	-	49,048.40	49,048.40	-	-	-	-
Trade Payables	-	1,09,875.42	1,09,875.42	-	-	-	-
Other Current Financial Liabilities	-	8,898.22	8,898.22	-	-	-	-
	-	1,67,822.04	1,67,822.04	-	-	-	-

As at March 31, 2021	Carrying amount			Level 1	Fair value		
	Fair value through profit or loss	Amortised Cost	Total		Level 2	Level 3	Total
Financial Assets							
Current							
Cash and cash equivalents	-	0.06	0.06	-	-	-	-
Other Current Financial Assets	-	1.50	1.50	-	-	-	-
	-	1.56	1.56	-	-	-	-
Financial Liabilities							
Current							
Borrowings	-	23,186.21	23,186.21	-	-	-	-
Trade Payables	-	1,16,174.00	1,16,174.00	-	-	-	-
Other Current Financial Liabilities	-	6,878.71	6,878.71	-	-	-	-
	-	1,46,238.92	1,46,238.92	-	-	-	-

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 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.

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (*Continued*)

For the year ended March 31, 2022

(Currency in INR Lakhs)

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

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.

(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.

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 Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued)

For the year ended March 31, 2022

(Currency in INR Lakhs)

19 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.

Exposure to liquidity risk

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

As at March 31, 2022	Carrying Amount	Total	Contractual cash flows			
			Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Current						
Borrowings	49,048.40	49,048.39	49,048.39	-	-	-
Trade Payables	1,09,875.42	1,09,881.39	7,926.11	13,591.83	61,183.45	27,180.00
Other Current Financial Liabilities	8,898.22	8,898.22	8,898.22	-	-	-

As at March 31, 2021	Carrying Amount	Total	Contractual cash flows			
			Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Current						
Borrowings	23,186.21	23,186.21	23,186.21	-	-	-
Trade Payables	1,16,174.00	1,16,177.67	7,439.35	6,795.80	47,582.52	54,360.00
Other Current Financial Liabilities	6,878.71	6,878.71	6,878.71	-	-	-

The Company has sufficient current assets comprising of Cash & Cash Equivalents, Inventories and Other Current Financial Assets to manage the liquidity risk, if any in relation to current financial liabilities.

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued)

For the year ended March 31, 2022

(Currency in INR Lakhs)

19 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, 2022	March 31, 2021
Financial liabilities		
Fixed rate instruments	<u>49,048.40</u>	<u>23,186.21</u>
	<u>49,048.40</u>	<u>23,186.21</u>
Financial assets		
Fixed rate instruments	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</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.

20 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 the whole inventory is sold out 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, 2022	March 31, 2021
Net debt	57,945.33	30,064.86
Total equity	5,547.80	6,001.48
Net debt to Equity ratio	<u>10.44</u>	<u>5.01</u>

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued)

For the year ended March 31, 2022

(Currency in INR Lakhs)

21 Related Party Disclosure

I. Relationships:

i) Holding Company

1 Godrej Properties Limited (GPL). GPL is the subsidiary of Godrej Industries Limited (GIL).

ii) Key Management Personnel :

- 1 Mr. Gaurav Pandey (Director)
- 2 Ms. Geetika Trehan (Manager)
- 3 Mr. Vishant Shetty (Company Secretary)
- 4 Mr. Sushil Kumar (Chief Financial Officer) wef 28th April, 2022

iii) Other Related Parties

- 1 Godrej Vestamark LLP

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), (ii) & (iii) above

Particulars	Godrej Properties Limited	Godrej Vestamark LLP	Total
Transactions during the Year /Period			
Borrowings Repaid			
Current Year	67.98	-	67.98
Previous period	125.62	-	125.62
Borrowings Taken			
Current Year	24,264.24	-	24,264.24
Previous period	22,507.53	-	22,507.53
Asset Purchased			
Current Year	-	-	-
Previous period	-	0.18	0.18
Expenses charged by other Companies / Entities			
Current Year	473.68	-	473.68
Previous period	4,503.04	-	4,503.04
TDS Deducted on Expenses			
Current Year	35.74	-	35.74
Previous period	22.79	-	22.79
Expenses Repaid			
Current Year	350.38	-	350.38
Previous period	4,410.20	-	4,410.20
Bank Guarantee / Performance Guarantee Given			
Current Year	4,630.00	-	4,630.00
Previous period	11,615.00	-	11,615.00
Bank Guarantee / Performance Guarantee Revoke			
Current Year	4,820.00	-	4,820.00
Previous period	-	-	-
Issue of Equity Share			
Current Year	-	-	-
Previous period	6,400.00	-	6,400.00
Interest Charged			
Current Year	2,744.69	-	2,744.69
Previous period	869.51	-	869.51
TDS Deducted on Interest			
Current Year	274.47	-	274.47
Previous period	65.21	-	65.21
Particulars	Godrej Properties Limited	Godrej Vestamark LLP	Total
Balance Outstanding as on Mar 31, 2022			
Trade Payables			
As at March 31, 2022	157.61	-	157.61
As at Mar 31, 2021	70.05	-	70.05
Interest Outstanding			
As at March 31, 2022	2,470.22	-	2,470.22
As at Mar 31, 2021	804.30	-	804.30
Borrowings Outstanding			
As at March 31, 2022	46,578.17	-	46,578.17
As at Mar 31, 2021	22,381.91	-	22,381.91
Bank Guarantee / Performance Guarantee Outstanding			
As at March 31, 2022	11,425.00	-	11,425.00
As at Mar 31, 2021	11,615.00	-	11,615.00

In case of any fund requirement for continuing operation of the Company, shareholders shall arrange fund in form of Loan/ Equity

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued)

For the year ended March 31, 2022

22 Contingent Liabilities and Commitments

a) Contingent Liabilities

Matters	March 31, 2022	March 31, 2021
D) Claims against Company not Acknowledged as debts:	NIL	NIL

b) Commitments

(i) Particulars	March 31, 2022	March 31, 2021
Capital Commitment (includes for CWIP under Construction)	1.02	9.11

(ii) The Company enters into construction contracts for Civil, Elevator, External Development, MEP work etc. with its vendors. The total amount payable under such contracts will be based on actual measurements and negotiated rates, which are determinable as and when the work under the said contracts are completed.

(iii) The Company has entered into a Lease Agreement dated 1st October, 2020 with Rail Land Development Authority (RLDA) to develop the residential project on the land admeasuring 107710 sq mtr in Ashok Vihar, Delhi through winning of competitive bid by Godrej Properties Limited (Holding Company). The Bid value was Rs. 1,359.00 Crores out of which the company has already paid 271.80 Crores and Balance 1,087.20 Crores is to be payable along with interest rate of 12% pa in seven instalments ending on September 22, 2027. Basis operating cycle of the company, the liabilities are classified as current.

23 Payment to Auditors (net of taxes)

Particulars	March 31, 2022	March 31, 2021
Statutory Audit Fees	1.30	1.18
Total	1.30	1.18

24 Micro, Small and Medium enterprises :

Particulars	March 31, 2022	March 31, 2021
(a) The principal amount remaining unpaid to any supplier as at the end of the accounting period;	607.68	8.37
(b) The interest due thereon remaining unpaid to any supplier as at the end of the accounting period;	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 period	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/period) 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/period	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

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue during the period ended and as at March 31, 2022 to Micro, Small and Medium Enterprises on account of principal or interest.

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.

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued)

For the year ended March 31, 2022

25 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.

26 Cash and Cash Equivalents and Bank Balances includes balances in Escrow Account which shall be used only for specified purposes as defined under Real Estate (Regulation and Development) Act, 2016.

27 The Company has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Receivables, Inventories, 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

28 Ratio Analysis

Sr. No.	Ratio	March 31, 2022	March 31, 2021	Change %	Reason for more than 25% change
1	Current Ratio	1.03	1.04	0.96%	-
2	Debt-Equity Ratio (Gross)	8.84	3.86	129.02%	Debt is increased by 258.62 Cr due to fresh borrowings taken for operational expenses and equity is reduced by 4.53 Cr due to current year losses.
3	Debt-Equity Ratio (Net)	8.84	3.86	129.02%	Debt is increased by 258.62 Cr due to fresh borrowings taken for operational expenses and equity is reduced by 4.53 Cr due to current year losses.
4	Debt Service Coverage Ratio	(0.03)	(0.03)	10.79%	-
5	Return on Equity Ratio	-7.90%	-6.60%	19.70%	-
6	Inventory Turnover Ratio	-	-	-	-
7	Trade Receivables Turnover Ratio	-	-	-	-
8	Trade Payables Turnover Ratio	-	-	-	-
9	Net Capital Turnover Ratio	-	-	-	-
10	Net Profit Ratio	0.00%	-4100.00%	100.00%	Change in Ratio is 100% because the company is having zero income in current FY.
11	Return on Capital Employed	-1.08%	-1.33%	18.67%	-
12	Return on Investment	0.00%	16200.00%	100.00%	Change in Ratio is 100% because the company is having zero income in current FY.

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued)

For the year ended March 31, 2022

(a) Formulae for computation of ratios are as follows:

Sr. No.	Particulars	Formula
1	Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
2	Debt-Equity Ratio (Gross)	$\frac{\text{Total Debt \{Current Borrowings + Non-Current Borrowings\}}}{\text{Shareholder's Equity \{Total Equity\}}}$
3	Debt-Equity Ratio (Net)	$\frac{\text{Total Debt \{Current Borrowings + Non-Current Borrowings\} - Cash and Cash Equivalents}}{\text{Shareholder's Equity \{Total Equity\}}}$
4	Debt Service Coverage Ratio	$\frac{\text{Earnings available for debt service \{Profit/(loss) before tax + Finance cost + Finance cost included in Cost of Sales + Depreciation expense\}}}{\text{Finance Cost}}$
5	Return on Equity Ratio	$\frac{\text{Profit/(loss) for the year}}{\text{Average Shareholder's Equity \{Total Equity\}}}$
6	Inventory Turnover Ratio	$\frac{\text{Cost of Material Consumed + Changes in inventories of construction work-in-progress}}{\text{Average Inventories}}$
7	Trade Receivables Turnover Ratio	$\frac{\text{Revenue from Operations}}{\text{Average Trade Receivables}}$
8	Trade Payables Turnover Ratio	$\frac{\text{Cost of Material Consumed + Changes in inventories of construction work-in-progress}}{\text{Average Trade Payables}}$
9	Net Capital Turnover Ratio	$\frac{\text{Revenue from Operations}}{\text{Average Working Capital \{Current Assets - Current Liabilities\}}}$
10	Net profit ratio	$\frac{\text{Profit/(loss) for the year}}{\text{Total Income}}$
11	Return on Capital Employed	$\frac{\text{Earnings before Interest and Tax \{Profit / (Loss) before tax + Finance cost + Finance cost included in Cost of Sales\}}}{\text{Average Capital Employed \{Tangible Net Worth + Total Debt\}}}$
12	Return on Investment	$\frac{\text{Income generated from treasury invested funds}}{\text{Average invested funds in treasury investments}}$

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 Green Woods Private Limited

CIN: U45309MH2020PTC340019

sd/-

GAURAV PANDEY

Director

DIN: 07229661

Gurugram

sd/-

GEETIKA TREHAN

Manager

DIN: 08309875

Delhi

sd/-

MANSI PARDIWALLA

Partner

Membership No: 108511

SANKET PAWAR

Company Secretary

ICSI Memb. No-A47485

sd/-

SUSHIL KUMAR

Chief Financial Officer

Mumbai

Mumbai

Gurugram