

Godrej Residency Private Limited

Balance Sheet

As at March 31, 2022

(Currency in INR Thousands)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-Current Assets			
Deferred Tax Assets	2	-	-
Total Non-Current Assets		<u>-</u>	<u>-</u>
Current Assets			
Financial Assets			
Cash and Cash Equivalents	3	43.15	9.57
Total Current Assets		<u>43.15</u>	<u>9.57</u>
TOTAL ASSETS		<u><u>43.15</u></u>	<u><u>9.57</u></u>
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	4	10.00	10.00
Other Equity		(705.13)	(530.47)
Total Equity		<u>(695.13)</u>	<u>(520.47)</u>
LIABILITIES			
Current Liabilities			
Financial Liabilities			
Borrowings	5	670.84	472.28
Trade Payables	6		
total outstanding dues of micro enterprises and small enterprises (refer note 16)		-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		61.50	54.00
Other Current Non Financial Liabilities	7	5.94	3.76
Total Current Liabilities		<u>738.28</u>	<u>530.04</u>
TOTAL EQUITY AND LIABILITIES		<u><u>43.15</u></u>	<u><u>9.57</u></u>
Significant Accounting Policies	1		

The accompanying notes 1 to 18 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 Residency Private Limited
CIN: U70109MH2017PTC292515

VIREN SONI
Partner
Membership No: 117634

PRIYANSH KAPOOR
Director
DIN: 09089059

PRIYAMVADA NAVET
Director
DIN: 08939279

Mumbai
03-May-22

Mumbai
03-May-22

Godrej Residency Private Limited

Statement of Profit and Loss

for the year ended March 31, 2022

(Currency in INR Thousands)

Particulars	<i>Note</i>	For the Year ended Mar 31, 2022	For the year ended March 31, 2021
INCOME		-	-
EXPENSES			
Finance Costs	8	41.18	33.86
Other Expenses	9	<u>133.48</u>	<u>102.85</u>
Total Expenses		<u>174.66</u>	<u>136.71</u>
(Loss) before tax		(174.66)	(136.71)
Tax Expense			
Current Tax	2(b)	-	-
Deferred Tax (Credit)	2(a)	<u>-</u>	<u>-</u>
Total Tax Expense		<u>-</u>	<u>-</u>
(Loss) for the year		(174.66)	(136.71)
Other Comprehensive Income for the Year		<u>-</u>	<u>-</u>
Total Comprehensive Income for the Year		<u>(174.66)</u>	<u>(136.71)</u>
Earnings Per Share (Amount in INR)			
Basic & Diluted	10	(174.66)	(136.71)
Significant Accounting Policies	1		

The accompanying notes 1 to 18 form an integral part of these Financial Statements.

As per our report of even date.

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Godrej Residency Private Limited

Statement of Changes in Equity
for the year ended March 31, 2022

(Currency in INR Thousands)

a) Equity Share Capital

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	10.00	10.00
Changes in equity share capital during the year	-	-
Balance at the end of the year	10.00	10.00

b) Other Equity

Particulars	Reserve and Surplus Retained Earnings (refer Note (a) below)	Total
Balance as at April 01, 2020	(393.76)	(393.76)
Total Comprehensive Income:		
i) (Loss) for the year	(136.71)	(136.71)
Balance as at March 31, 2021	(530.47)	(530.47)

Particulars	Reserve and Surplus Retained Earnings (refer Note (a) below)	Total
Balance as at April 01, 2021	(530.47)	(530.47)
Total Comprehensive Income:		
i) (Loss) for the year	(174.66)	(174.66)
Balance as at March 31, 2022	(705.13)	(705.13)

(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, debenture redemption reserve, dividends or other distributions paid to shareholders.

The accompanying notes 1 to 18 form an integral part of these Financial Statements.

As per our report of even date.

For **BSR & Co. LLP**
Chartered Accountants
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For and on behalf of the Board of Directors of
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CIN: U70109MH2017PTC292515

VIREN SONI
Partner
Membership No: 117634

PRIYANSH KAPOOR **PRIYAMVADA NAVET**
Director Director
DIN: 09089059 DIN: 08939279

Mumbai
03-May-22

Mumbai
03-May-22

Godrej Residency Private Limited

Statement of Cash Flows

for the year ended March 31, 2022

(Currency in INR Thousands)

Particulars	For the Year ended Mar 31, 2022	For the year ended March 31, 2021
Cash Flow from Operating Activities		
(Loss) Before Tax	(174.66)	(136.71)
Adjustments for:		
Finance costs	41.18	33.86
Operating (loss) before working capital changes	<u>(133.48)</u>	<u>(102.85)</u>
Changes in Working Capital:		
Increase / (Decrease) in Non Financial Liabilities	2.18	(1.75)
Increase / (Decrease) in Financial Liabilities	7.50	(2.70)
	<u>9.68</u>	<u>(4.45)</u>
Direct Taxes paid (Net)	-	-
Net cash flows (used in) operating activities	<u>(123.80)</u>	<u>(107.30)</u>
Cash Flow from Investing Activities		
Net cash flows generated from investing activities	<u>-</u>	<u>-</u>
Cash Flow from financing activities		
Proceeds from short-term borrowings (net)	159.99	33.40
Interest paid	(2.61)	(2.65)
Net cash flows generated from financing activities	<u>157.38</u>	<u>30.75</u>
Net Increase / (Decrease) in Cash and Cash Equivalents	<u>33.58</u>	<u>(76.55)</u>
Cash and Cash Equivalents - Opening Balance	<u>9.57</u>	<u>86.12</u>
Cash and Cash Equivalents - Closing Balance	<u>43.15</u>	<u>9.57</u>

Godrej Residency Private Limited

Statement of Cash Flows (Continued)

for the year ended March 31, 2022

(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) 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 Mar 31, 2022	For the year ended March 31, 2021
Cash and Cash Equivalents (refer Note 3)	43.15	9.57
Cash and Cash Equivalents as per Statement of Cash Flows	43.15	9.57

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

Reconciliation of liabilities arising from financing activities

Particular	As at April 01, 2021	Changes in Statement of Cash Flows	Acquisition	Non Cash Changes Interest accrued	Fair Value Changes	As at March 31, 2022
Short-term borrowings	472.28	157.38	-	41.18	-	670.84

Reconciliation of liabilities arising from financing activities

Particular	As at April 01, 2020	Changes in Statement of Cash Flows	Acquisition	Non Cash Changes Interest accrued	Fair Value Changes	As at March 31, 2021
Short-term borrowings	407.67	30.75	-	33.86	-	472.28

(d) The outstanding interest on borrowings as at every year-end is converted into loan as on first day of the next financial year.

The accompanying notes 1 to 18 form an integral part of these Financial Statements.

As per our report of even date.

For B S R & Co. LLP

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Godrej Residency Private Limited

Notes Forming Part of Financial Statements

for the year ended March 31, 2022

(Currency in INR Thousands)

Note 1

I. Company Overview

Godrej Residency Private Limited (“the Company”) having CIN number U70109MH2017PTC292515 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 authorised for issue by the company’s Board of Directors on May 03, 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 Residency Private Limited

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

(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:

- *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.

- *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.

Godrej Residency Private Limited

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

(Currency in INR Thousands)

Note 1 *(Continued)*

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

e) Measurement of fair values *(Continued)*

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.

f) 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 to 12 months. 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.

g) Going Concern

The Company has been incorporated for a proposed project, the project being in various stages of evaluation. The Company is incorporated to enable investments as and when definitive agreements for projects are executed, and hence during the initial years, whilst the project feasibility analysis is in process, the Company incurs losses in relation to these compliance and establishment cost as per applicable laws. The Company has incurred a loss after tax of Rs. 174.66 thousands during the current year, incurred losses during the previous years and has resultant accumulated losses of Rs. 705.13 thousands as at 31 March 2022. Also, the Company's current liabilities have exceeded its current assets by INR 695.13 thousands as at 31 March 2022. Based on the financial support extended by the Godrej Properties Limited (Shareholder of the Company), 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 continuing operation of the Company, the shareholders shall fund/arrange funds in the form of Equity/Loan.

Godrej Residency Private Limited

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

(Currency in INR Thousands)

Note 1 *(Continued)*

Accordingly, these financial statements have been prepared on a going concern basis and do not include any adjustments relating to the recoverability and classification of recorded assets, or to amounts and classification of liabilities that may be necessary if the entity is unable to continue as a going concern.

III. Significant Accounting Policies

a) 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

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 Residency Private Limited

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

(Currency in INR Thousands)

Note 1 *(Continued)*

III. Significant Accounting Policies *(continued)*

a) Financial instruments *(continued)*

I. Financial assets *(continued)*

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.

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., bank balances.

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 amortized cost

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.

Godrej Residency Private Limited

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

(Currency in INR Thousands)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

a) Financial instruments *(Continued)*

II. Financial liability *(Continued)*

De-recognition

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 derecognition 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.

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.

III. Share Capital

Ordinary equity shares

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

b) 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.

Godrej Residency Private Limited

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

(Currency in INR Thousands)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

b) Income tax *(continued)*

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.

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 recognised 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.

Godrej Residency Private Limited

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

(Currency in INR Thousands)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

c) 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.

d) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash as defined above.

e) 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.

f) Provisions, contingent liabilities and contingent assets

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

Godrej Residency Private Limited

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

(Currency in INR Thousands)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

f) Provisions, contingent liabilities and contingent assets *(continued)*

- (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.

g) 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.

h) Segment reporting

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

i) Recent Pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Godrej Residency Private Limited

Notes forming part of financial statements *(Continued)*

for the year ended March 31, 2022

(Currency in INR Thousands)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

i) Recent Pronouncements *(continued)*

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes Forming Part of Financial Statements (Continued)

As at March 31, 2022

(Currency in INR Thousands)

2 Income Tax**a) Amounts recognised in the statement of profit and loss**

Particulars	March 31, 2022	March 31, 2021
Current Tax	-	-
Current Tax	-	-
Deferred Tax Charge/ (Credit)	-	-
Deferred Tax attributable to	-	-
Tax Expense for the year	-	-

b) Reconciliation of Effective Tax Rate

Particulars	March 31, 2022	March 31, 2021
(Loss) before tax	(174.66)	(136.71)
Tax using the Company's domestic tax rate 25.17% (Previous Year: 25.17%)	(43.96)	(34.41)
Tax effect of:		
Rate difference	-	-
Unrecognised Deferred Tax Asset	43.96	34.41
Tax expense recognisable (Refer note (c) below)	-	-

c) Unrecognised deferred tax assets

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

Particulars	March 31, 2022		March 31, 2021	
	Gross Loss	Unrecognised tax effect	Gross Loss	Unrecognised tax effect
Business losses	(705.13)	(177.48)	(530.47)	(133.52)

d) Tax Losses Carried Forward

Particulars	March 31, 2022		March 31, 2021	
	Gross Loss	Expiry Date	Gross Loss	Expiry Date
Expire	(54.47)	2025-26	(54.47)	2025-26
	(186.22)	2026-27	(186.22)	2026-27
	(153.07)	2027-28	(153.07)	2027-28
	(136.71)	2028-29	(136.71)	2028-29
	(174.66)	2029-30		

e) 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 Residency Private Limited

Notes Forming Part of Financial Statements (Continued)

As at March 31, 2022

(Currency in INR Thousands)

	March 31, 2022	March 31, 2021
3 Cash and Cash Equivalents		
Balances With Banks		
In Current Accounts	43.15	9.57
	<u>43.15</u>	<u>9.57</u>

Notes Forming Part of Financial Statements (Continued)

As at March 31, 2022

(Currency in INR Thousands)

March 31, 2022 March 31, 2021

4 Equity Share Capital

a) Authorised :			
10,000 Equity Shares of INR 10/- each (Previous Year : 10,000 Equity Share of INR 10/- each)	100.00		100.00
	100.00		100.00
b) Issued, Subscribed and Paid-Up:			
1,000 Equity Shares of INR 10/- each (Previous Year : 1,000 Equity Shares of INR 10/- each) fully paid up	10.00		10.00
	10.00		10.00

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 Thousands)	No. of Shares	INR (In Thousands)
Outstanding at the beginning of the year	1,000	10.00	1,000	10.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	1,000	10.00	1,000	10.00

d) Shareholding Information

Equity shares are held by :	March 31, 2022		March 31, 2021	
	No. of Shares	INR (In Thousands)	No. of Shares	INR (In Thousands)
Godrej Properties Limited	990	9.90	990	9.90
Godrej Projects Development Limited	10	0.10	10	0.10

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

e) 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)	990	99	990	99

f) Promoters Shareholding

Sr. No	Shares held by Promoters at the end of the March 31, 2022			
	Promoter Name	No. of Shares	% of total Shares	% change during the year
1	Godrej Properties Limited	99.99	99.99	0.00%
2	Godrej Property Development Limited	0.01	0.01	0.00%

Sr. No	Shares held by Promoters at the end of the March 31, 2021			
	Promoter Name	No. of Shares	% of total Shares	% change
1	Godrej Properties Limited	99.99	99.99	0.00%
2	Godrej Property Development Limited	0.01	0.01	0.00%

5 Borrowings (Current)

Particulars	March 31, 2022	March 31, 2021
Unsecured Loans		
Other Loans (Refer Note (a))	670.84	472.28
	670.84	472.28

(a) Unsecured loan is taken from related party, bearing interest @ 7% p.a.(Previous Year: 8% p.a.) and is repayable on demand .

Notes Forming Part of Financial Statements (Continued)

As at March 31, 2022

(Currency in INR Thousands)

6 Trade Payables (Current)

Total outstanding dues of micro enterprises and small enterprises (Refer note 15)

Total outstanding dues of creditors other than micro enterprises and small enterprises

-

61.50

-

54.00

61.5054.00

Particulars	Not due	Outstanding for following periods from due date of payment			
		Less than 1 Year	1-2 years	More than 3 years	March 31, 2022
MSME	-	-	-	-	-
Others	-	61.50	-	-	61.50
Disputed dues – MSME	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-

Particulars	Not due	Outstanding for following periods from due date of payment			
		Less than 1 Year	1-2 years	More than 3 years	March 31, 2021
MSME	-	-	-	-	-
Others	-	54.00	-	-	54.00
Disputed dues – MSME	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-

7 Other Current Non Financial Liabilities

Statutory Dues (TDS)

March 31, 2022

March 31, 2021

5.94

3.76

5.943.76

Godrej Residency Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2022

(Currency in INR Thousands)

	March 31, 2022	March 31, 2021
8 Finance Costs		
Interest Expense	41.18	33.82
Interest on Income Tax	-	0.04
	<u>41.18</u>	<u>33.86</u>
9 Other Expenses		
Consultancy Charges	44.76	24.01
Payment to Auditors (refer note 15)	64.90	62.12
Other Expenses	23.82	16.72
	<u>133.48</u>	<u>102.85</u>

Godrej Residency Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2022

(Currency in INR Thousands)

10 Earnings Per Share

a) Basic & 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, 2022	March 31, 2021
(i) (Loss) attributable to ordinary shareholders (basic and diluted)		
(Loss) for the Year , attributable to ordinary shareholders of the Company	(174.66)	(136.71)
	<u>(174.66)</u>	<u>(136.71)</u>
(ii) Weighted average number of ordinary shares (basic and diluted)		
Weighted Average number of equity shares at the beginning of the year	<u>1,000</u>	<u>1,000</u>
Weighted Average number of Equity Shares at the end of the year	<u>1,000</u>	<u>1,000</u>
Basic and Diluted Earnings Per Share (INR) (Face Value INR 10 each) (Previous year: INR 10 each)	(174.66)	(136.71)

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2022

(Currency in INR Thousands)

11 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, 2022	Carrying amount		Total	Level 1	Fair value		Total
	Fair value through profit or loss	Amortised Cost			Level 2	Level 3	
Financial Assets							
Current							
Cash and cash equivalents	-	43.15	43.15	-	-	-	-
	-	43.15	43.15	-	-	-	-
Financial Liabilities							
Current							
Borrowings	-	670.84	670.84	-	670.84	-	670.84
Trade Payables	-	61.50	61.50	-	-	-	-
	-	732.34	732.34	-	670.84	-	670.84

March 31, 2021	Carrying amount		Total	Level 1	Fair value		Total
	Fair value through profit or loss	Amortised Cost			Level 2	Level 3	
Financial Assets							
Current							
Cash and cash equivalents	-	9.57	9.57	-	-	-	-
	-	9.57	9.57	-	-	-	-
Financial Liabilities							
Current							
Borrowings	-	472.28	472.28	-	472.28	-	472.28
Trade Payables	-	54.00	54.00	-	-	-	-
	-	526.28	526.28	-	472.28	-	472.28

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2022

(Currency in INR Thousands)

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

b) Measurement of Fair Value

- (i) The Company uses the Discounted Cash Flow valuation technique (in relation to borrowings measured at amortised cost and fair value through profit or loss) which involves determination of present value of expected receipt/ payment discounted using appropriate discounting rates. The fair value so determined are classified as Level 2.

c) Risk Management Framework

The Company's Board of Directors have overall responsibility for establishment and oversight of the Company's risk management framework. The Company follows the Holding Company's risk management policies to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

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

d) Financial risk management

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

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

Godrej Residency Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2022

(Currency in INR Thousands)

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

d) Financial risk management (Continued)

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

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.

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2022

(Currency in INR Thousands)

11 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.

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, 2022	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Current						
Borrowings	670.84	670.84	198.56	472.28	-	-
Trade Payables	61.50	56.10	56.10	-	-	-

March 31, 2021	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Current						
Borrowings	472.28	472.28	472.28	-	-	-
Trade Payables	54.00	54.00	54.00	-	-	-

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2022

(Currency in INR Thousands)

11 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	670.84	472.28
	<u>670.84</u>	<u>472.28</u>
Financial assets		
Fixed rate instruments	-	-
	<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.

12 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. However till revenue recognition starts it may be negative.

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

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

INR (in Thousands)

Particulars	March 31, 2022	March 31, 2021
Net debt	627.69	462.71
Total equity	(695.13)	(520.47)
Net debt to Equity ratio	<u>(0.90)</u>	<u>(0.89)</u>

Godrej Residency Private Limited**Notes Forming Part of Financial Statements (Continued)**

for the year ended March 31, 2022

(Currency in INR Thousands)

13 Related Party Disclosure

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

I. Relationships**(i) Shareholders (Holding Company) :**

Godrej Properties Limited (GPL) holds 99% (Previous Year 99%) of the share capital of the Company. GPL is the subsidiary of Godrej Industries Limited (GIL).

(ii) Fellow Subsidiary

Godrej Projects Development Limited (GPDL) holds (1%) of the Share Capital of the Company.

(iii) Key Management Personnel (KMP)

Neeraj Gupta, Director (upto 27.10.2020)

Rajib Das, Director (upto 17.03.2021)

Priyansh Kapoor (w.e.f 17.03.2021)

Priyamvada Navet (w.e.f 28.10.2020)

SOUMEN ROY (w.e.f 19.05.2021)

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 (i)	Godrej Project Development Limited (i)	KMP (ii)	Total
Transactions during the Year				
Finance costs				
Current Year	-	41.18	-	41.18
Previous Year	-	33.86	-	33.86
Borrowings taken				
Current Year	-	192.72	-	192.72
Previous Year	1.25	33.40	-	34.65
Borrowings repaid				
Current Year	-	-	-	-
Previous Year	1.25	-	-	1.25
Balance Outstanding as at March 31, 2022				
Amount Payables*				
As at March 31, 2022	-	633.78	-	633.78
As at March 31, 2021	-	441.11	-	441.11
Interest Payable				
As at March 31, 2022	-	37.06	-	37.06
As at March 31, 2021	-	31.22	-	31.22

*Includes conversion of interest into loan of INR 31.22 Thousands (Previous Year : INR 20.38 Thousands)

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

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2022

14 Contingent Liabilities and Commitments**a) Contingent Liabilities**

Matters	March 31, 2022	March 31, 2021
1) Claims against Company not Acknowledged as debts:	Nil	Nil

b) Commitments

(i) Particulars	March 31, 2022	March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Nil	Nil

15 Payment to Auditors (net of taxes)

Particulars	March 31, 2022	March 31, 2021
Statutory Audit Fees *	55.00	50.00
Reimbursement of Expenses *	-	2.64
Total	55.00	52.64

* Amount excludes GST of INR 9.90 Thousands (Previous Year: INR 9.48 Thousands)

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

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2022

17 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 viz. Profit after tax.

B. Geographical Information

The geographic information analyses the Company's revenue and Non-Current Assets other than financial instruments, deferred tax assets, post-employment benefit assets by the Company's country of domicile and other countries. As the Company is engaged in Development of Real Estate property in India, it has only one reportable geographical segment.

C. Information about major customers

There were no reportable customers during the year ended March 31, 2021 and March 31, 2022.

18 Analytical Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	Reason for variance
Current ratio	43.15	738.28	0.06	0.02	
Debt-equity ratio	627.69	-695.13	(0.90)	(0.89)	
Debt service coverage ratio	-133.48	41.18	(3.24)	(3.04)	
Return on equity ratio	-174.66	-607.8	0.29	0.30	
Inventory turnover ratio	0	0	-	-	
Trade receivables turnover ratio	0	0	-	-	
Trade payables turnover ratio	133.48	57.75	2.31	1.86	
Net capital turnover ratio	0	-695.13	-	-	
Net profit ratio	-174.66	0	0	0	
Return on capital employed	-308.14	-24.29	12.69	4.97	
Return on investment	-174.66	43.15	(4.05)	(14.29)	

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 Residency Private Limited
CIN: U70109MH2017PTC292515

VIREN SONI
Partner
Membership No: 117634

PRIYANSH KAPOOR
Director
DIN: 09089059

PRIYAMVADA NAVET
Director
DIN: 08939279

Mumbai
03-May-22

Mumbai
03-May-22