

**Godrej Redevelopers (Mumbai) Private Limited**

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

**Godrej Redevelopers (Mumbai) Private Limited**  
**financial statements together with the Independent Auditors' Report**  
*for the year ended 31 March 2021*

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## **Independent Auditors' Report**

### **To the Members of Godrej Redevelopers (Mumbai) Private Limited**

#### **Report on the Audit of the financial statements**

#### **Opinion**

We have audited the financial statements of Godrej Redevelopers (Mumbai) Private Limited (“the Company”), which comprise the balance sheet as at 31 March 2021, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies (hereinafter referred to as “financial statements”).

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

#### **Basis for Opinion**

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

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

### **Godrej Redevelopers (Mumbai) Private Limited**

#### **Other Information**

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

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

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

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

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

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

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

### **Godrej Redevelopers (Mumbai) Private Limited**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### **Godrej Redevelopers (Mumbai) Private Limited**

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

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

- (A) As required by Section 143 (3) of the Act, we report that:
- (a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act;
  - (e) on the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - (f) with respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company did not have any pending litigation which would impact its financial position;
  - ii. the Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses;
  - iii. there are no dues which are required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and
  - iv. the disclosures in the financial statements regarding holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.

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

**Godrej Redevelopers (Mumbai) Private Limited**

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

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

According to the information and explanation given to us and based on our examination of the records of the Company, the Company is not a public Company. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company.

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

*Chartered Accountants*

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

**Mansi Pardiwalla**

*Partner*

Membership No: 108511

Unique Document Identification No:

21108511AAAACK1236

Mumbai  
3 May 2021

# Godrej Redevelopers (Mumbai) Private Limited

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

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets including property, plant and equipment.
- (b) The Company has a regular programme of physical verification of its fixed assets including property, plant and equipment by which the fixed assets including property, plant and equipment are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified certain property, plant and equipment during the year and no discrepancies were noticed in respect of assets verified during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company and with reference to Note 2 and 3 of the financial statements, the Company does not hold any immovable properties.
- (ii) The Company's inventory includes construction work in progress. Accordingly, the requirements under paragraph 3(ii) of the Order are not applicable for construction work in progress.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraphs 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not granted any loans, made investments, or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Accordingly, compliance under Sections 185 and 186 of the Act in respect of granting loans, making investments, or providing any guarantees or securities are not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

## Godrej Redevelopers (Mumbai) Private Limited

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

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service tax, Labour cess, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. Amounts deducted / accrued in the books of account in respect of undisputed statutory dues of Income-tax have generally been regularly deposited during the year by the Company with the appropriate authorities, though there have been slight delays in a few cases. As explained to us, the Company did not have any dues on account of Wealth tax.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Goods and Service tax, Labour Cess, Cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of Income-tax and Goods and Service tax as at 31 March 2021, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not defaulted during the year in repayment of dues to debentures holders during the year. The Company does not have any loans or borrowings from government or financial institutions or banks.
- (ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) In our opinion and according to the information and explanations given to us, the Company being a private limited company, provisions of Section 197 read with Schedule V of the Act are not applicable to the Company. Accordingly, paragraph 3 (xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.

## Godrej Redevelopers (Mumbai) Private Limited

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

- (xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act. Further the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent paragraph 3 (xiii) of the Order is not applicable to the Company.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any private placement of equity shares and fully or partly paid debentures during the year.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

For **BSR & Co. LLP**

*Chartered Accountants*

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

**Mansi Pardiwalla**

*Partner*

Membership No: 108511

Unique Document Identification No:

21108511AAAACK1236

Mumbai  
3 May 2021

# Godrej Redevelopers (Mumbai) Private Limited

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

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

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

### **Opinion**

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

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

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

The Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with respect to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

# Godrej Redevelopers (Mumbai) Private Limited

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

### **Auditors' Responsibility (Continued)**

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

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

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

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

*Chartered Accountants*

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

**Mansi Pardiwalla**

*Partner*

Membership No: 108511

Unique Document Identification No:

21108511AAAACK1236

Mumbai  
3 May 2021

Godrej Redevelopers (Mumbai) Private Limited

**Balance Sheet**

as at March 31, 2021

(Currency in INR Lakhs)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	3.62	25.86
Right-of-Use Asset	28	-	56.20
Intangible Assets	3	0.23	0.66
Financial Assets			
Other Non-Current Financial Assets	4	5.00	107.34
Income Tax Assets (Net)		934.59	699.06
<b>Total Non-Current Assets</b>		<b>943.44</b>	<b>889.12</b>
<b>Current Assets</b>			
Inventories	6	3,454.34	12,994.22
Financial Assets			
Investments	7	25,434.96	10,591.04
Trade Receivables	8	183.00	532.90
Cash and Cash Equivalents	9	173.56	7,511.77
Bank Balances other than above	10	23.80	-
Other Current Financial Assets	11	177.32	617.14
Other Current Non Financial Assets	12	1,455.29	3,588.06
<b>Total Current Assets</b>		<b>30,902.27</b>	<b>35,835.13</b>
<b>TOTAL ASSETS</b>		<b>31,845.71</b>	<b>36,724.25</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	13	5.60	5.60
Other Equity		411.70	759.21
<b>Total Equity</b>		<b>417.30</b>	<b>764.81</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Deferred Tax Liabilities (Net)	5	194.33	62.76
<b>Total Non-Current Liabilities</b>		<b>194.33</b>	<b>62.76</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	14	18,231.56	16,405.67
Lease Liabilities	28	-	62.18
Trade Payables			
total outstanding dues of micro enterprises and small enterprises (refer note 35)		236.35	502.37
total outstanding dues of creditors other than micro enterprises and small enterprises		5,044.29	4,726.03
Other Current Financial Liabilities	15	1.47	226.89
Other Current Non Financial Liabilities	16	1,706.79	12,422.01
Provisions	17	6,013.62	1,551.42
Current Tax Liabilities (Net)		-	0.11
<b>Total Current Liabilities</b>		<b>31,234.08</b>	<b>35,896.68</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>31,845.71</b>	<b>36,724.25</b>

**Significant Accounting Policies**

1

The accompanying notes 1 to 36 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 Redevelopers (Mumbai) Private Limited

CIN: U70102MH2013PTC240297

**MANSI PARDIWALLA**

Partner

Membership No: 108511

Mumbai

May 3, 2021

**PRIYAMVADA NAVET**

Director

DIN: 08939279

Mumbai

April 30, 2021

**AMIT CHOUDHURY**

Director

DIN: 00557547

Godrej Redevelopers (Mumbai) Private Limited

**Statement of Profit and Loss**

for the year ended March 31, 2021

(Currency in INR Lakhs)

Particulars	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>INCOME</b>			
Revenue from Operations	18	22,806.97	1,10,885.39
Other Income	19	876.81	517.02
<b>Total Income</b>		<b>23,683.78</b>	<b>1,11,402.41</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	20	10,663.05	21,489.60
Change in inventories of construction work-in-progress and finished goods	21	9,539.88	83,044.18
Finance Costs	22	1,742.85	528.71
Depreciation and Amortisation Expense	23	74.39	85.17
Other Expenses	24	1,879.54	2,763.45
<b>Total Expenses</b>		<b>23,899.71</b>	<b>1,07,911.11</b>
<b>(Loss) / Profit before Tax</b>		<b>(215.93)</b>	<b>3,491.30</b>
<b>Tax Expense</b>			
Deferred Tax (Credit)	5(a)	131.58	2,274.69
<b>Total Tax Expense</b>		<b>131.58</b>	<b>2,274.69</b>
<b>(Loss) / Profit for the Year</b>		<b>(347.51)</b>	<b>1,216.61</b>
<b>Other Comprehensive Income for the Year (Net of Tax)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the Year</b>		<b>(347.51)</b>	<b>1,216.61</b>
<b>Earnings Per Share (Amount in INR)</b>			
Basic and Diluted	25	(620.40)	2,171.97

**Significant Accounting Policies**

1

The accompanying notes 1 to 36 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 Redevelopers (Mumbai) Private Limited**  
CIN: U70102MH2013PTC240297

**MANSI PARDIWALLA**  
Partner  
Membership No: 108511

**PRIYAMVADA NAVET**  
Director  
DIN: 08939279

**AMIT CHOUDHURY**  
Director  
DIN: 00557547

Mumbai  
May 3, 2021

Mumbai  
April 30, 2021

Godrej Redevelopers (Mumbai) Private Limited

**Statement of Cash Flows**

for the year ended March 31, 2021

(Currency in INR Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Cash Flow from Operating Activities</b>		
<b>(Loss) / Profit before Tax</b>	<b>(215.93)</b>	3,491.30
<b>Adjustments for:</b>		
Depreciation and amortisation expense	74.39	85.17
Finance costs	1,742.85	528.71
Profit on sale of property, plant and equipment (net)	1.77	
Interest income	(165.95)	(88.32)
Income from Investment measured at FVTPL	(529.67)	(350.52)
Miscellaneous Income - Retention Trade Payables	(99.04)	
Profit on sale of investments (net)	(76.14)	(78.18)
<b>Operating profit before working capital changes</b>	<b>732.28</b>	3,588.16
<b>Changes in Working Capital:</b>		
(Decrease) in Non Financial Liabilities	(6,253.14)	(77,369.29)
(Decrease) / Increase in Financial Liabilities	(74.15)	2,705.74
Decrease in Inventories	9,801.61	84,154.09
Decrease in Non Financial Assets	2,132.78	451.77
Decrease in Financial Assets	901.15	752.93
	<b>6,508.25</b>	10,695.24
Direct Taxes Paid (net)	(235.64)	(307.35)
<b>Net cash flows generated from operating activities</b>	<b>7,004.89</b>	13,976.05
<b>Cash Flow from Investing Activities</b>		
Acquisition of property, plant and equipment and intangible assets	2.72	(0.47)
Purchase of mutual funds (net)	(14,238.11)	(2,042.87)
Purchase of investments in fixed deposits (net)	(23.80)	(10.00)
Interest Received	156.86	62.72
<b>Net cash flows (used in) investing activities</b>	<b>(14,102.33)</b>	(1,990.62)
<b>Cash Flow from financing activities</b>		
Interest paid	(175.10)	(4,620.73)
Payment of Minimum Lease liabilities	(65.67)	(67.62)
<b>Net cash flows (used in) financing activities</b>	<b>(240.77)</b>	(4,688.35)
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>(7,338.21)</b>	7,297.08
<b>Cash and Cash Equivalents - Opening Balance</b>	<b>7,511.77</b>	214.69
<b>Cash and Cash Equivalents - Closing Balance</b>	<b>173.56</b>	7,511.77

Godrej Redevelopers (Mumbai) Private Limited

**Statement of Cash Flows (Continued)**

for the year ended March 31, 2021

(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, 2021	For the year ended March 31, 2020
Cash and Cash Equivalents (refer note 9)	173.56	7,511.77
<b>Cash and Cash Equivalents as per Statement of Cash Flows</b>	<b>173.56</b>	<b>7,511.77</b>

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

**Reconciliation of liabilities arising from financing activities**

Particular	As at April 01, 2020	Changes in Statement of Cash Flows	Non Cash Changes Acquisition	Fair Value Changes	As at March 31, 2021
Short-term borrowings	16,405.67	-	-	15.32	16,420.99

\* This amount excludes Interest Accrued of INR Nil

\*\* This amount excludes Interest Accrued of 1810 .57 lacs

**Reconciliation of liabilities arising from financing activities**

Particular	As at April 01, 2019	Changes in Statement of Cash Flows (including interest accrued)	Non Cash Changes Acquisition	Fair Value Changes	As at March 31, 2020
Short-term borrowings	19,192.68	(2,629.41)	-	(157.60)	16,405.67

(d) The above Statement of Cash Flows include INR 33.27 lakhs (Previous Year: INR 16.00 Lakhs) towards Corporate Social Responsibility (CSR) activities (refer note 33).

The accompanying notes 1 to 36 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 Redevelopers (Mumbai) Private Limited**

CIN: U70102MH2013PTC240297

**MANSI PARDIWALLA**

Partner

Membership No: 108511

**PRIYAMVADA NAVET**

Director

DIN: 08939279

**AMIT CHOUDHURY**

Director

DIN: 00557547

Mumbai

May 3, 2021

Mumbai

April 30, 2021

Godrej Redevelopers (Mumbai) Private Limited

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

(Currency in INR Lakhs)

a) **Equity Share Capital**

Particulars	As at	As At
	March 31, 2021	March 31, 2020
Balance at the beginning of the year	5.60	5.60
Changes in equity share capital during the year	-	-
Balance at the end of the year	<u>5.60</u>	<u>5.60</u>

b) **Other Equity**

Particulars	Reserve and Surplus		Total
	Securities Premium (refer note (a) below)	Retained Earnings (refer note (b) below)	
<b>Balance as at April 01, 2019 (as previously reported)</b>	865.16	(1,321.96)	(456.80)
Adjustment on initial application of IND AS 116 (Net of taxes) (refer note 27)	-	(0.60)	(0.60)
<b>Adjusted Balances as at April 01, 2019</b>	<u>865.16</u>	<u>(1,322.56)</u>	<u>(457.40)</u>
Total Comprehensive Income:			
i) Profit for the year	-	1,216.61	1,216.61
<b>Balance as at March 31, 2020</b>	<u>865.16</u>	<u>(105.95)</u>	<u>759.21</u>

Particulars	Reserve and Surplus		Total
	Securities Premium (refer note (a) below)	Retained Earnings (refer note (b) below)	
<b>Balance as at April 01, 2020</b>	865.16	(105.95)	759.21
Total Comprehensive Income:			
i) (Loss) for the year	-	(347.51)	(347.51)
<b>Balance as at March 31, 2021</b>	<u>865.16</u>	<u>(453.46)</u>	<u>411.70</u>

(a) **Securities Premium**

Securities premium reserve is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Act.

(b) **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 36 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 Redevelopers (Mumbai) Private Limited**  
CIN: U70102MH2013PTC240297

**MANSI PARDIWALLA**  
Partner  
Membership No: 108511

**PRIYAMVADA NAVET** **AMIT CHOUDHURY**  
Director Director  
DIN: 08939279 DIN: 00557547

Mumbai  
May 3, 2021

Mumbai  
April 30, 2021

Godrej Redevelopers (Mumbai) Private Limited

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

as at March 31, 2021

(Currency in INR Lakhs)

**2 Property, Plant and Equipment**

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK		
	As At April 01, 2020	Additions during the year	Deductions during the year	As at March 31, 2021	As at April 01, 2020	For the Year	Deductions	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
<b>Tangible Assets</b>										
Leasehold Improvements	44.09	-	-	44.09	31.09	13.01	-	44.10	-	13.00
Office Equipments	25.39	-	18.56	6.83	18.17	3.26	15.45	5.98	0.85	7.22
Furniture and Fixtures	16.35	-	5.66	10.69	11.09	1.36	4.28	8.17	2.52	5.26
Computers	4.40	-	-	4.40	4.02	0.13	-	4.15	0.25	0.38
<b>Total Property, Plant and Equipment</b>	<b>90.23</b>	<b>-</b>	<b>24.22</b>	<b>66.01</b>	<b>64.37</b>	<b>17.76</b>	<b>19.73</b>	<b>62.40</b>	<b>3.62</b>	<b>25.86</b>

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK		
	As At April 01, 2019	Additions during the year	Deductions during the year	As At March 31, 2020	As at April 01, 2019	For the Year	Deductions	As at March 31, 2020	As At March 31, 2020	As at March 31, 2019
<b>Tangible Assets</b>										
Leasehold Improvements	44.09	-	-	44.09	16.39	14.70	-	31.09	13.00	27.70
Office Equipments	25.06	0.33	-	25.39	12.29	5.88	-	18.17	7.22	12.77
Furniture and Fixtures	16.35	-	-	16.35	9.25	1.84	-	11.09	5.26	7.10
Computers	4.26	0.14	-	4.40	3.61	0.41	-	4.02	0.38	0.65
<b>Total Property, Plant and Equipment</b>	<b>89.76</b>	<b>0.47</b>	<b>-</b>	<b>90.23</b>	<b>41.54</b>	<b>22.83</b>	<b>-</b>	<b>64.37</b>	<b>25.86</b>	<b>48.22</b>

Godrej Redevelopers (Mumbai) Private Limited

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

as at March 31, 2021

(Currency in INR Lakhs)

**3 Intangible Assets**

Particulars	GROSS BLOCK			ACCUMULATED AMORTISATION				NET BLOCK		
	As At April 01, 2020	Additions during the year	Deductions during the year	As at March 31, 2021	As at April 01, 2020	For the Year	Deductions	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Licenses and Software	2.58	-	-	2.58	1.92	0.43	-	2.35	0.23	0.66
<b>Total Intangible Assets</b>	<b>2.58</b>	<b>-</b>	<b>-</b>	<b>2.58</b>	<b>1.92</b>	<b>0.43</b>	<b>-</b>	<b>2.35</b>	<b>0.23</b>	<b>0.66</b>

Particulars	GROSS BLOCK			ACCUMULATED AMORTISATION				NET BLOCK		
	As At April 01, 2019	Additions during the year	Deductions during the year	As At March 31, 2019	As at April 01, 2019	For the Year	Deductions	As at March 31, 2020	As At March 31, 2020	As At March 31, 2019
Licenses and Software	2.58	-	-	2.58	1.49	0.43	-	1.92	0.66	1.09
<b>Total Intangible Assets</b>	<b>2.58</b>	<b>-</b>	<b>-</b>	<b>2.58</b>	<b>1.49</b>	<b>0.43</b>	<b>-</b>	<b>1.92</b>	<b>0.66</b>	<b>1.09</b>

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

as at March 31, 2021

(Currency in INR Lakhs)

March 31, 2021 March 31, 2020

**4 Other Non-Current Financial Assets****Unsecured, Considered Good**

Deposit With Banks (refer note (a) below)	5.00	107.34
	<u>5.00</u>	<u>107.34</u>

(a) Fixed deposits held as margin money and lien marked for issuing bank guarantees amounting to INR 5.00 Lakhs (Previous Year: INR 107.34 Lakhs).

**5 Deferred Tax Assets/Liabilities and Tax Expense****a) Amounts recognised in the statement of profit and loss**

Particulars	March 31, 2021	March 31, 2020
<b>Current Tax</b>	-	-
Current Tax	-	-
<b>Deferred Tax Charge/ (Credit)</b>	<b>131.58</b>	<b>2,274.69</b>
Deferred Tax Charge/ (Credit)	131.58	2,274.69
<b>Tax Expense for the year</b>	<b>131.58</b>	<b>2,274.69</b>

**b) Movement in Deferred Tax Balances**

Particulars	Balance as at April 01, 2020	Movement during the year		Balance as at March 31, 2021
		Recognised in Profit or Loss	Recognised in Other Equity	
<b>Deferred Tax Assets/ (Liabilities)</b>				
Property, Plant and Equipment	9.35	3.24	-	12.59
Brought Forward Loss	-	-	-	-
IND AS adjustments 116	1.51	(1.51)	-	-
Fair value of Mutual funds	(73.61)	(133.31)	-	(206.92)
<b>Deferred Tax Assets/ (Liabilities)</b>	<b>(62.75)</b>	<b>(131.58)</b>	<b>-</b>	<b>(194.33)</b>
Particulars	Balance as at April 01, 2019	Movement during the year		Balance as at March 31, 2020
		Recognised in Profit or Loss	Recognised in Other Equity	
<b>Deferred Tax Assets</b>				
Property, Plant and Equipment	7.87	1.48	-	9.35
Brought Forward Loss	2,139.87	(2,139.87)	-	-
IND AS adjustments 116	-	1.30	0.21	1.51
Fair value of Mutual funds	(27.47)	(46.14)	-	(73.61)
Other Items - Section 94B of the Income Tax Act, 1961	91.46	(91.46)	-	-
<b>Deferred Tax Assets/ (Liabilities)</b>	<b>2,211.73</b>	<b>(2,274.69)</b>	<b>0.21</b>	<b>(62.75)</b>

**c) Reconciliation of Effective Tax Rate**

Particulars	March 31, 2021	March 31, 2020
<b>(Loss) / Profit before Tax</b>	<b>(215.93)</b>	<b>3,491.30</b>
Tax using the Company's domestic tax rate 25.17% (Previous Year: 25.17%)	(54.35)	878.69
<b>Tax effect of:</b>		
Non-deductible expenses	10.16	4.48
Rate difference	-	1.77
Unrecognised Deferred Tax Asset on temporary differences	(110.16)	731.95
Brought forward loss for which no deferred tax was recognised	285.93	657.80
<b>Tax expense recognised</b>	<b>131.58</b>	<b>2,274.69</b>

**d) Unrecognised Deferred Tax Asset**

Deferred tax asset amounting to INR 285.91 lakhs (Previous Year: INR 657.80 lakhs) have not been recognised in respect of tax losses amounting to INR 1136.02 (Previous Year: INR 2,613.64 lakhs) because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom.

Particulars	March 31, 2021		March 31, 2020	
	Gross Loss	Unrecognised tax effect	Gross Loss	Unrecognised tax effect
Business losses	3,722.44	936.86	2,595.27	653.18
Unabsorbed depreciation	25.46	6.41	18.37	4.62

**e) Tax Losses Carried Forward**

Particulars	Expiry	March 31, 2021		March 31, 2020	
		Gross Loss		Gross Loss	
Business Loss (AY 2019-20)	2025-26	479.92	-	479.92	2026-27
Business Loss (AY 2020-21)	2026-27	2,115.35	-	2,115.35	2027-28
Business Loss (AY 2021-22)	2027-28	1,128.93	-	-	-
Unabsorbed depreciation (AY 2019-20)	No expiry	8.65	-	8.65	-
Unabsorbed depreciation (AY 2020-21)	No expiry	9.73	-	9.73	-
Unabsorbed depreciation (AY 2021-22)	No expiry	7.09	-	-	-

f) 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 Redevelopers (Mumbai) Private Limited

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

as at March 31, 2021

(Currency in INR Lakhs)

	March 31, 2021	March 31, 2020
<b>6 Inventories (Valued at lower of Cost and Net Realisable Value)</b>		
Finished Goods (refer note 21)	3,454.34	2,663.05
Construction Work in Progress (refer note 21)	-	10,331.17
	<u>3,454.34</u>	<u>12,994.22</u>
<b>7 Investments</b>		
<b>Unquoted</b>		
Investment in Mutual Funds carried at Fair Value through Profit or Loss	25,434.96	10,591.04
	<u>25,434.96</u>	<u>10,591.04</u>
<b>Market Value of unquoted Investments</b>		
Aggregate book value of Unquoted Investments and Market Value thereof	25,434.96	10,591.04
<b>8 Trade Receivables</b>		
<i>To parties other than related parties</i>		
Unsecured, Considered Good	183.00	532.90
	<u>183.00</u>	<u>532.90</u>
<b>9 Cash and Cash Equivalents</b>		
<b>Balances With Banks (refer note 36)</b>		
In Current Accounts	43.87	3,825.73
In Fixed Deposit Accounts with maturity less than 3 months	129.69	3,323.00
Cheques On Hand	-	363.04
	<u>173.56</u>	<u>7,511.77</u>
<b>10 Bank Balances other than above</b>		
<b>Balances With Banks</b>		
In Current Accounts	-	
In Fixed Deposit Accounts with maturity more than 3 months but less than 12 months (refer Note (a) below)	23.80	
	<u>23.80</u>	<u>-</u>
<b>11 Other Current Financial Assets</b>		
<b>Unsecured, Considered Good</b>		
<i>To parties other than related parties</i>		
Deposits - Others (including electricity, telephone, security deposits)	46.30	51.10
Interest Accrued on Fixed Deposits	40.26	31.17
Others (includes expense recoverable)	90.76	534.87
	<u>177.32</u>	<u>617.14</u>
<b>12 Other Current Non Financial Assets</b>		
<b>Unsecured, Considered Good</b>		
<i>To parties other than related parties</i>		
Unbilled Revenue	83.21	1,628.71
Balances with Government Authorities	1,263.50	476.21
Advance to Suppliers and Contractors	82.37	1,079.49
Others (includes deferred brokerage, deferred customer incentive)	26.21	403.65
	<u>1,455.29</u>	<u>3,588.06</u>

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

as at March 31, 2021

(Currency in INR Lakhs)

March 31, 2021      March 31, 2020

**13 Equity Share Capital****a) Authorised :**

100,000 Equity Shares of INR 10/- each (Previous Year: 100,000, Equity Share of INR 10/- each)	<b>10.00</b>	10.00
	<u><b>10.00</b></u>	<u>10.00</u>

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

56,014 Equity Shares of INR 10/- each (Previous Year: 56,014, Equity Share of INR 10/- each)	<b>5.60</b>	5.60
	<u><b>5.60</b></u>	<u>5.60</u>

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

Equity Shares :	March 31, 2021		March 31, 2020	
	No. of Shares	INR (In Lakhs)	No. of Shares	INR (In Lakhs)
Outstanding at the beginning of the year	<b>56,014</b>	<b>5.60</b>	56,014	5.60
Issued during the year	-	-	-	-
Outstanding at the end of the year	<b>56,014</b>	<b>5.60</b>	56,014	5.60

**d) Shareholding Information**

The Company is a Joint Venture and hence shareholding information with respect to holding company or its ultimate holding company and subsidiaries and associates thereto is not applicable.

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

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

Particulars	March 31, 2021		March 31, 2020	
	No. of Shares	%	No. of Shares	%
<b>Equity shares</b>				
Godrej Properties Limited	<b>28,567</b>	<b>51</b>	28,567	51
Shubh Properties Cooperatief U.A	<b>26,506</b>	<b>47</b>	26,506	47

**g) Shares reserved for Compulsorily Convertible Debentures:**

For 12% (Previous Year: 17.45%) Compulsorily Convertible Debentures (CCD): The Compulsorily convertible debentures (CCDs) allotted 1,654,232 (Previous Year: 1,654,232) number of Rs 1,000 each shall be converted into equity shares at fair value determined as on conversion date.

**14 Borrowings (Current)**

Particulars	March 31, 2021	March 31, 2020
<b>Unsecured debentures</b>		
<b>From Related parties</b>		
12% (Previous Year: 17.45%) 1,654,232 (Previous Year: 1,654,232) Compulsory Convertible Debentures of INR 1,000/- each (refer note (a))	<b>18,231.56</b>	16,405.67
	<u><b>18,231.56</b></u>	<u>16,405.67</u>

(a) The Compulsory Convertible Debentures (CCD) will be converted into equity shares on June 29, 2021 based on the Fair Value as on date of conversion. Fair market value per share of the Company at the time of conversion is calculated as per discounted cash flow methodology, or the minimum price determined as per the Indian Exchange Control Regulations for conversion of CCDs into Shares, whichever is higher.

**15 Other Current Financial Liabilities**

Deposits - Others (including receipts from customers towards share money, other charges)	<b>1.22</b>	226.24
Other Liabilities (including payables for development project, reimbursement of expenses)	<b>0.25</b>	0.65
	<u><b>1.47</b></u>	<u>226.89</u>

**16 Other Current Non Financial Liabilities****To parties other than related parties**

Statutory Dues (including Goods and Service Tax, Tax Deducted at Source)	-	460.42
Advances Received Against Sale of Flats	<b>1,706.79</b>	11,961.59
	<u><b>1,706.79</b></u>	<u>12,422.01</u>

**17 Provisions (Current)**

Provision for Tax Dues (refer note (a) below)	<b>6,013.62</b>	1,551.42
	<u><b>6,013.62</b></u>	<u>1,551.42</u>

(a) Provision for Tax dues ( Utilised: INR Nil ( Previous year: INR Nil) and Accrued INR 5487.00 lakhs ( Previous Year: INR 1024.80 lakhs))

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

	March 31, 2021	March 31, 2020
<b>18 Revenue from Operations</b>		
Sale of Real Estate Developments	22,383.61	1,10,714.59
<b>Other Operating Revenues</b>		
Other Income from Customers	423.36	170.80
	<u>22,806.97</u>	<u>1,10,885.39</u>
<b>19 Other Income</b>		
Interest Income	165.95	88.32
Dividend Income	-	-
Profit on Sale of Property, Plant and Equipment (Net)	-	-
Income from Investment measured at FVTPL	529.67	350.52
Profit on Sale of Investments (net)	76.14	78.18
Miscellaneous Income	105.05	-
	<u>876.81</u>	<u>517.02</u>
<b>20 Cost of Materials Consumed</b>		
Land/ Development Right	5.73	1,264.38
Construction, Material and Labour	2,099.97	8,563.15
Architect Fees	5.00	26.64
Other Costs	8,290.62	3,741.97
Finance Costs	261.73	7,893.46
	<u>10,663.05</u>	<u>21,489.60</u>
<b>21 Change in inventories of construction work-in-progress and finished goods</b>		
<b>Inventories at the beginning of the year</b>		
Finished Goods	-	-
Construction Work-in-Progress	12,994.22	96,038.40
	<u>12,994.22</u>	<u>96,038.40</u>
<b>Inventories at the end of the year</b>		
Finished Goods	3,454.34	2,663.05
Construction Work-in-Progress	-	10,331.17
	<u>3,454.34</u>	<u>12,994.22</u>
	<u>9,539.88</u>	<u>83,044.18</u>
<b>22 Finance Costs</b>		
Interest Expense	2,000.40	8,410.49
Interest on Income Tax	0.59	0.79
<b>Total Interest Expense</b>	<u>2,000.99</u>	<u>8,411.28</u>
Other Borrowing costs	3.59	10.89
<b>Total Finance Costs</b>	<u>2,004.58</u>	<u>8,422.17</u>
Less : Transferred to construction work-in-progress	(261.73)	(7,893.46)
<b>Net Finance Costs</b>	<u>1,742.85</u>	<u>528.71</u>
<b>23 Depreciation and Amortisation Expense</b>		
Depreciation on Property, Plant and Equipment	17.76	22.83
Depreciation on Right-of-Use Asset (refer note 27)	56.20	61.91
Amortisation of Intangible Assets	0.43	0.43
	<u>74.39</u>	<u>85.17</u>
<b>24 Other Expenses</b>		
Advertisement and Marketing Expense	981.39	2,235.78
Loss on Sale of Property, Plant and Equipment (Net)	1.77	-
CSR Expenses (refer note 33)	33.27	16.00
Other Expenses *	863.11	511.67
	<u>1,879.54</u>	<u>2,763.45</u>

\* includes payment to auditors amounting to INR 4.13 Lakhs (Previous year : INR 4.13 Lakhs) ( refer note 31)

Godrej Redevelopers (Mumbai) Private Limited

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

**25 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.

	<b>March 31, 2021</b>	March 31, 2020
<b>(i) Profit/(Loss) attributable to ordinary shareholders (basic and diluted)</b>		
(Loss) /Profit for the Year , attributable to ordinary shareholders of the Company	<b>(347.51)</b>	1,216.61
	<u><b>(347.51)</b></u>	<u>1,216.61</u>
<b>(ii) Weighted average number of ordinary shares (basic and diluted)</b>		
Weighted Average number of equity shares at the beginning and at the end of the year	<b>56,014</b>	56,014
	<u><b>56,014</b></u>	<u>56,014</u>
<b>Basic and Diluted Earnings Per Share (INR) (Face Value INR 10 each)</b> <b>(Previous year: INR 10 each)</b>	<b>(620.40)</b>	2,171.97

**b) Diluted Earnings Per Share**

The Compulsory Convertible Debentures to be converted into equity shares prior to June 29, 2021 based on the Fair value of the shares computed as on the date of conversion and other terms and conditions of the shareholders agreement. In view of the same, the dilutive shares cannot be computed as the conversion ratio is not available as at the balance sheet.

The Compulsory Convertible Debentures were excluded from the calculation of diluted weighted average number of equity shares for the previous year as their effect would have been anti-dilutive.

Godrej Redevelopers (Mumbai) Private Limited

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

**26 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, 2021	Carrying amount			Level 1	Fair value			Total
	Fair value through profit or loss	Amortised Cost	Total		Level 2	Level 3		
<b>Financial Assets</b>								
<b>Non-Current</b>								
Other Non-Current Financial Assets	5.00	-	5.00	-	-	-	-	-
<b>Current</b>								
Investments	25,434.96	-	25,434.96	25,434.96	-	-	-	25,434.96
Trade receivables	-	183.00	183.00	-	-	-	-	-
Cash and cash equivalents	-	173.56	173.56	-	-	-	-	-
Other Current Financial Assets	-	177.32	177.32	-	-	-	-	-
	<b>25,439.96</b>	<b>557.68</b>	<b>25,997.64</b>	<b>25,434.96</b>	-	-	-	<b>25,434.96</b>
<b>Financial Liabilities</b>								
<b>Current</b>								
Borrowings	-	18,231.56	18,231.56	-	16,405.67	-	-	16,405.67
Trade Payables	-	5,280.64	5,280.64	-	-	-	-	-
Other Current Financial Liabilities	-	1.47	1.47	-	-	-	-	-
	-	<b>23,513.67</b>	<b>23,513.67</b>	-	<b>16,405.67</b>	-	-	<b>16,405.67</b>

March 31, 2020	Carrying amount			Level 1	Fair value			Total
	Fair value through profit or loss	Amortised Cost	Total		Level 2	Level 3		
<b>Financial Assets</b>								
<b>Non-Current</b>								
Other Non-Current Financial Assets	107.34	-	107.34	-	-	-	-	-
<b>Current</b>								
Investments	10,591.04	-	10,591.04	10,591.04	-	-	-	10,591.04
Trade receivables	-	532.90	532.90	-	-	-	-	-
Cash and cash equivalents	-	7,511.77	7,511.77	-	-	-	-	-
Other Current Financial Assets	-	617.14	617.14	-	-	-	-	-
	<b>10,698.38</b>	<b>8,661.81</b>	<b>19,360.19</b>	<b>10,591.04</b>	-	-	-	<b>10,591.04</b>
<b>Financial Liabilities</b>								
<b>Current</b>								
Borrowings	-	16,405.67	16,405.67	-	16,405.67	-	-	16,405.67
Lease Liability	-	62.18	62.18	-	62.18	-	-	62.18
Trade Payables	-	5,228.40	5,228.40	-	-	-	-	-
Other Current Financial Liabilities	-	226.89	226.89	-	-	-	-	-
	-	<b>21,923.14</b>	<b>21,923.14</b>	-	<b>16,467.85</b>	-	-	<b>16,467.85</b>

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

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

**b) Measurement of Fair Value**

- (i) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
- (ii) The Company uses the Discounted Cash Flow valuation technique (in relation to 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.
- (iii) The sensitivity analysis below for lease liability have been determined based on reasonably possible changes of the discounting rate occurring at the end of the reporting period, while holding other assumptions constant.

**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 Godrej Properties Limited's (Co-Venturers) 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 Godrej Properties Limited's (Co-Venturers) 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 Redevelopers (Mumbai) Private Limited

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

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

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

**(i) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

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

**Trade Receivables**

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

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

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

**Investment in Mutual Funds**

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

**Cash and Bank balances**

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

Godrej Redevelopers (Mumbai) Private Limited

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

**26 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 has access to funds from debt markets through debt instruments. The Company invests its surplus funds in bank fixed deposits and debt based mutual funds.

**Exposure to liquidity risk**

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

March 31, 2021	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
<b>Current</b>						
Borrowings	18,231.56	18,231.56	18,231.56	-	-	-
Trade Payables	5,280.64	5,379.67	4,528.08	-	851.59	-
Other Current Financial Liabilities	1.47	1.47	1.47	-	-	-

March 31, 2020	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
<b>Current</b>						
Borrowings	16,405.67	1,025.45	1,025.45	-	-	-
Lease Liabilities						
Trade Payables	5,228.40	5,327.44	4,432.01	7.43	888.00	-
Other Current Financial Liabilities	226.89	226.89	226.89	-	-	-

The Company has sufficient current assets comprising of *Trade Receivables, Cash & Cash Equivalents, Investment in Mutual Funds, Other Bank Balances (other than restricted balances), Loans, Inventories and Other Current Financial Assets* to manage the liquidity risk, if any in relation to current financial liabilities.

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

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

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

**(iii) Market Risk**

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

**a) Currency Risk**

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

**b) Interest Rate Risk**

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

**Exposure to interest rate risk**

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

Particulars	March 31, 2021	March 31, 2020
<b>Financial liabilities</b>		
Fixed rate instruments (excluding interest accrued)	18,231.56	16,405.67
	<b>18,231.56</b>	<b>16,405.67</b>
<b>Financial assets</b>		
Fixed rate instruments	158.49	3,430.34
	<b>158.49</b>	<b>3,430.34</b>

**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.

**27 Capital Management**

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

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

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	INR (in Lakhs)	
	March 31, 2021	March 31, 2020
Net debt*	(7,400.76)	(1,697.14)
Total equity	417.30	764.81
<b>Net debt to Equity ratio</b>	<b>(17.73)</b>	<b>(2.22)</b>

\*Cash & Cash equivalents are higher than the outstanding debt of the company in the current year.

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

**29 Ind AS 115 - Revenue from Contracts with Customers**

- (a) The amount of INR NIL lakhs (Previous Year: INR 15010.95 lakhs) recognised in contract liabilities at the beginning of the year has been recognised as revenue during the year ended March 31, 2021
- (b) Significant changes in contract assets and contract liabilities balances are as follows:

Particulars	March 31, 2021	March 31, 2020
<b>Contract asset</b>		
At the beginning of the reporting period	1,628.71	-
Cumulative catch-up adjustments to revenue affecting contract asset	1,545.50	(1,628.71)
At the end of the reporting period	83.21	1,628.71
<b>Contract liability</b>		
At the beginning of the reporting period	11,961.59	90,686.86
Cumulative catch-up adjustments affecting contract liability	(10,254.80)	(58,229.64)
Significant financing component	-	(20,495.63)
At the end of the reporting period	1,706.79	11,961.59

- (c) Performance obligation

The Company engaged primarily in the business of real estate construction, development and other related activities.

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

Revenue is recognised upon transfer of control of residential and commercial units to customers for an amount that reflects the consideration which the Company expects to receive in exchange for those units. The trigger for revenue recognition is normally completion of the project or receipt of approvals on completion from relevant authorities or intimation to the customer of completion, post which the contract becomes non-cancellable by the parties.

The revenue is measured at the transaction price agreed under the contract. In certain cases, the Company has contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company adjusts the transaction price for the effects of a significant financing component.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Company's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Company recognises the entire estimated loss in the period the loss becomes known.

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at March 31, 2021 is INR 2456.57lakhs (Previous Year: 20,551.18 lakhs). This will be recognised as revenue within next one year.

- (d) Reconciliation of revenue recognised in the Statement of Profit and Loss

The following table discloses the reconciliation of amount of revenue recognised as at 31 March 2021

Particulars	March 31, 2021	March 31, 2020
Contract price of the revenue recognised	22,474.24	84,561.24
Add: Significant financing component	-	27,073.20
Less: Customer incentive/benefits	(90.63)	(919.85)
<b>Revenue recognised in the Statement of Profit and Loss</b>	<b>22,383.61</b>	<b>1,10,714.59</b>

Godrej Redevelopers (Mumbai) Private Limited

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

**28 Leases**

c) As Lessee

The Company's significant leasing arrangements are in respect of operating leases for Commercial premises. Lease expenditure for operating leases is recognised on a straight-line basis over the period of lease. These leasing arrangements are non-cancellable / cancellable and are renewable on a periodic basis by mutual consent on mutually accepted terms.

<b>Right -of-Use Assets</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>
<b>Particulars</b>		
<b>Cost</b>		
Balance as at April 01, 2019	118.11	118.11
Additions	-	-
Disposals	-	-
Balance as at March 31, 2020	<u>118.11</u>	<u>118.11</u>
<b>Accumulated Depreciation</b>		
Balance as at April 01, 2019	61.91	-
Add: Depreciation charge for the year	56.20	61.91
Less: Disposals	-	-
Balance as at March 31, 2020	<u>118.11</u>	<u>61.91</u>
<b>Carrying amount</b>		
Balance as at April 01, 2019	56.20	118.11
Balance as at March 31, 2020	-	56.20
<b>Lease Liabilities</b>		
Balance as at April 01, 2019	62.18	118.91
Less: Disposals	-	-
Add: Interest Expense on lease Liabilities	3.48	10.89
Less: Total cashoutflow for leases	<u>(65.67)</u>	<u>(67.62)</u>
Balance as at March 31, 2020	<u>-</u>	<u>62.18</u>

The future minimum lease payments of non-cancellable operating leases are as under:

<b>Particulars</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Future minimum lease payments under operating leases		
Not later than 1 year	-	56.20
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-

Godrej Redevelopers (Mumbai) Private Limited

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

*for the year ended 31 March, 2021*

**29 Related Party Disclosures**

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

**Relationships:**

**I. Co-Venturers**

- a) Godrej Projects Development Limited (GPD) holds 51% (Previous Year: 51%) of the Share Capital of the Company. GPD is the subsidiary of Godrej Properties Limited.
- b) Shubh Properties Coöperatief U.A (COOP) holds 47.32% (Previous Year: 47.32%) of the Share Capital of the Company.
- c) Heritage Investments holds 1.68% (Previous Year: 1.68%) of the Share Capital of the Company.

**II. Key Management Personnel (KMP)**

- a) Mr. Aspy Dady Cooper (Director)
- b) Mr. Gagan Chopra (Director)
- c) Mr. Amit Biren Choudhury (Director)
- d) Ms. Priyamvada Navet (Director)
- e) Mr. Karan Singh Bolaria (Director)
- f) Mr. Amitava Mukherjee( Director)

**III. Other Related Parties in Godrej Group**

- a) Godrej & Boyce Manufacturing Company Limited
- b) Creamline Dairy Products Ltd
- c) Godrej Industries Limited
- d) Godrej Consumer Products Limited

Notes Forming Part of Financial Statements (Continued)  
for the year ended 31 March, 2021

## 30 Related Party Disclosures (Continued)

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

(i) Details relating to parties referred to in items 1 I, II, and III above

Nature of Transaction	Godrej Properties Limited	Godrej Project Development Limited	Shubh Properties Coöperatief U.A (COOP)	Heritage	Natures Basket (Upto 4th July 2019)	Godrej Greenview Private Limited	Godrej Consumer Products Limited	KMP	Total
<b>Transactions during the Year</b>									
<b>Expenses charged by other Companies</b>									
Current Year	51.06	263.94	-	-	-	3.23	0.08	-	318.31
Previous Year	0.57	424.28	-	-	0.84	74.01	0.08	-	499.84
<b>Interest on Debenture</b>									
Current Year	-	1,020.20	946.59	33.61	-	-	-	-	2,000.40
Previous Year	-	934.88	867.23	30.82	-	-	-	-	1,832.93
<b>Brand Fees</b>									
Current Year	197.37	-	-	-	-	-	-	-	197.37
Previous Year	83.44	-	-	-	-	-	-	-	83.44
<b>Sitting Fees</b>									
Current Year	-	-	-	-	-	-	-	4.00	4.00
Previous Year	-	-	-	-	-	-	-	4.00	4.00
<b>Expenses repaid to other Companies</b>									
Current Year	352.41	280.78	-	-	-	49.22	0.08	-	682.50
Previous Year	235.18	488.15	-	-	0.84	69.58	0.08	-	793.89
<b>Development Management Fees</b>									
Current Year	110.59	-	-	-	-	-	-	-	110.59
Previous Year	124.73	-	-	-	-	-	-	-	124.73
<b>Balance Outstanding as at March 31, 2020</b>									
<b>Amount Payables</b>									
Current Year	18.43	14.82	-	-	-	(22.91)	-	-	10.34
Previous Year	0.62	-	-	-	-	22.53	-	-	23.14
<b>DM fees payable</b>									
Current Year	18.52	-	-	-	-	-	-	-	18.52
Previous Year	-	-	-	-	-	-	-	-	-
<b>Debenture Outstanding</b>									
Current Year	-	9,298.10	8,627.17	306.29	-	-	-	-	18,231.56
Previous Year	-	8,367.66	7,762.20	275.81	-	-	-	-	16,405.67

**Notes Forming Part of Financial Statements (Continued)**  
for the year ended March 31, 2021

**31 Contingent Liabilities and Commitments**

**a) Contingent Liabilities**

Matters	March 31, 2021	March 31, 2020
<b>I) Claims against Company not Acknowledged as debts:</b>		
i) Claims under Income Tax Act, Appeal preferred to The Income Tax Appellate Tribunal/ Commissioner of Income Tax (Appeals)	441.36	441.36
<b>II) Guarantees:</b>		
i) Guarantees given by Bank, counter guaranteed by the Company	112.34	107.34

**b) Commitments**

(i) Particulars	March 31, 2021	March 31, 2020
Capital Commitment (includes for CWIP under Construction)	NIL	NIL

- (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.

**32 Payment to Auditors (net of taxes)**

Particulars	March 31, 2021	March 31, 2020
Statutory Audit Fees	3.45	3.45
Certification	0.45	0.45
Reimbursement of Expenses	0.19	0.23
<b>Total</b>	<b>4.09</b>	<b>4.13</b>

**33 Foreign Exchange Difference**

The amount of exchange difference included in the Statement of Profit and Loss, is INR Nil (Previous Year: INR 0.15 lacs(Net loss))

**34 Corporate Social Responsibility**

The Company has spent INR 33.27 lakhs during the year (Previous Year: INR 16.00 lakhs) as per the provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility (CSR) activities grouped under 'Other Expenses'.

- (a) Gross amount required to be spent by the Company during the year INR 33.27 lakhs (Previous Year: INR 16.00 lakhs)

- (b) Amount spent during the year on :

Particulars	Amount Spent in Cash	Amount yet to be paid in Cash	Total Amount
<b>Year ended March 31, 2021</b>			
(i) Construction / Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	0.08	33.19	33.27
<b>Year ended March 31, 2020</b>			
(i) Construction / Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	16.00	-	16.00

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

for the year ended March 31, 2021

**35 Micro, Small and Medium enterprises :**

Particulars	March 31, 2021	March 31, 2020
(a) The principal amount remaining unpaid to any supplier as at the end of the accounting year;	236.35	502.37
(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

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 years ended and as at March 31, 2021 and March 31, 2020 to Micro, Small and Medium Enterprises on account of principal or interest.

**36 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. ( Refer Note XXX)

**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**

None of the customers for the year ended March 31, 2021 and March 31, 2020 constituted 10% or more of the total revenue of the Company.

**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 Redevelopers (Mumbai) Private Limited**  
CIN: U70102MH2013PTC240297

**MANSI PARDIWALLA**  
Partner  
Membership No: 108511

**PRIYAMVADA NAVET**  
Director  
DIN: 08939279

**AMIT CHOUDHURY**  
Director  
DIN: 00557547

Mumbai  
May 3, 2021

Mumbai  
May 3, 2021

# Godrej Redevelopers (Mumbai) Private Limited

## Notes Forming Part of Financial Statements

for the year ended March 31, 2021

(Currency in INR Lakhs)

### Note 1

#### I. Company Overview

Godrej Redevelopers (Mumbai) Private Limited (“the Company”) having CIN number U70102MH2013PTC240297 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.

This is the first set of the Company’s financial statements in which Ind AS 116, Leases has been applied. Changes to significant accounting policies are described in note 1 (III) (i) and (q) and the impact of transition to Ind AS 116 on the financial statements is disclosed in note 27.

These financial statements of the Company for the year ended March 31, 2021 were authorised for issue by the company’s Board of Directors on April 30, 2021.

##### b) Functional and Presentation Currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest 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 recognised prospectively in current and future periods.

# Godrej Redevelopers (Mumbai) Private Limited

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

### 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 timing of satisfaction of performance obligation, 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 Company recognises revenue when the company satisfies its performance obligation

- *Evaluation of Net realisable Value of Inventories*

Inventories comprising of construction-work-in progress are valued at lower of cost and net realisable value. Net Realisable value is based upon the estimates of the management. The effect of changes, if any, to the estimates is recognised 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 capitalised and which components of the cost of the asset may be capitalised

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

- *Fair value measurement of financial instruments*

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

# Godrej Redevelopers (Mumbai) Private Limited

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

### Note 1 (*Continued*)

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

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

- *Recognition of deferred tax asset*

The deferred tax assets in respect of the 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) 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, 2021.

### f) Recent Pronouncements

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

#### **Balance Sheet:**

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

# Godrej Redevelopers (Mumbai) Private Limited

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

### Note 1 (*Continued*)

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

- Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

### Statement of Profit and Loss:

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

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

### g) Measurement of fair values

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

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

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

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

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

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

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

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

# Godrej Redevelopers (Mumbai) Private Limited

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

### Note 1 (*Continued*)

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

### h) Operating cycle

All assets and liabilities have been classified into current and non-current based on Company's normal operating cycle of 12 months which is based on the nature of business of the Company. Current Assets do not include elements which are not expected to be realised within 1 year and Current Liabilities do not include items which are due after 1 year, the period of 1 year being reckoned from the reporting date..

## III. Significant Accounting Policies

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

#### i) *Recognition and Measurement:*

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

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

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

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

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

#### ii) *Subsequent expenditure*

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the expenditure can be measured reliably.

# Godrej Redevelopers (Mumbai) Private Limited

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

### Note 1 (*Continued*)

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

##### a) 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 of the Company has been provided using the written down value method based on the useful lives specified in Schedule II of the Act.

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

Assets acquired on lease and leasehold improvements are amortised over the period of the lease on straight line basis.

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

##### b) Intangible assets and amortisation

###### i) Recognition and measurement:

Items of Intangible Assets are measured at cost less accumulated amortisation 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 capitalised 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.

###### iii) Amortisation

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

Intangible assets are amortised over a period of six years.

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

# Godrej Redevelopers (Mumbai) Private Limited

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

### Note 1 (*Continued*)

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

##### c) 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 recognised in the statement of profit and loss in the period in which they arise.

##### d) Financial instruments

###### I. Financial assets

###### Classification

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

###### Initial recognition and measurement

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

The Company recognises financial assets (other than trade receivables and debt securities) when it becomes a party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

###### Subsequent measurement

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

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

###### Debt instruments at amortised cost

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

# Godrej Redevelopers (Mumbai) Private Limited

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

### Note 1 (*Continued*)

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

#### d) Financial instruments (*Continued*)

##### *Financial assets (Continued)*

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

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

##### *1. Financial assets (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 cashflow and selling financial assets, and
- The contractual terms of the financial assets give rise on the specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### Debt instruments at Fair Value through Profit or Loss

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

##### Equity investments

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

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

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

# Godrej Redevelopers (Mumbai) Private Limited

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

### Note 1 (*Continued*)

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

##### d) Financial instruments (*Continued*)

###### *Financial assets (Continued)*

###### Derecognition

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

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

###### Impairment of financial assets

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

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

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

##### I. *Financial Liabilities*

###### Classification

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

###### Initial recognition and measurement

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

###### Loans and borrowings

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

# Godrej Redevelopers (Mumbai) Private Limited

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

### Note 1 (*Continued*)

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

##### e) Financial instruments (*Continued*)

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

This category generally applies to loans and borrowings.

##### Derecognition

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

##### III Offsetting of financial instruments

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

##### IV. Share Capital

##### Ordinary equity shares

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

##### f) Compound financial instruments

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

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

# Godrej Redevelopers (Mumbai) Private Limited

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

### Note 1 (*Continued*)

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

##### g) Inventories

Inventories are valued as under:

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

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 LLP.

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.

##### h) 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 at a point in time and subsequently over time when the Company has enforceable right for payment for performance completed to date. Revenue is recognised upon transfer of control of promised products to customer in an amount that reflects the consideration which the Company 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 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 recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

# Godrej Redevelopers (Mumbai) Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2021

(Currency in INR Lakhs)

### Note 1 (Continued)

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

##### h) Revenue Recognition

###### Sale of Real Estate Development

Contract liabilities are recognised 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.

##### i) Leases

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

###### As a lessee

###### Right-of-Use Asset

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

###### Lease Liability

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

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

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

The election for short-term leases shall be made by class of underlying asset to which the right of use relates. A class of underlying asset is a grouping of underlying assets of a similar nature and use in Company's operations. The election for leases for which the underlying asset is of low value can be made on a lease-by-lease basis.

# Godrej Redevelopers (Mumbai) Private Limited

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

### j) **Income tax**

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

#### *Current tax*

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

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

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

#### *Deferred tax*

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

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

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

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

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

Deferred tax assets and liabilities are offset only if:

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

# Godrej Redevelopers (Mumbai) Private Limited

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

### Note 1 (*Continued*)

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

##### k) 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 till the time all the activities necessary to prepare these projects for its intended use or sale are complete.

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

##### l) Cash and Cash Equivalents

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

##### m) 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.

##### n) Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to their present value at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. The unwinding of the discount is recognised as finance cost.

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

# Godrej Redevelopers (Mumbai) Private Limited

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

for the year ended March 31, 2021

(Currency in INR Lakhs)

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

### Note 1 (*Continued*)

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

#### n) 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 recognised in the financial statements. However, the same are disclosed in the financial statements where an inflow of economic benefit is probable.

#### o) 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.

#### p) Segment reporting

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