

Godrej Projects Development Limited

Balance Sheet

as at March 31, 2020

(Currency in INR Lakhs)

Particulars	Note	As At March 31, 2020	As At March 31, 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	137.11	260.41
Right-of-Use Asset	35	47.50	-
Intangible Assets	3	5.13	10.90
Financial Assets			
Investments in Subsidiaries and Joint Ventures	4	14,549.56	6,054.27
Other Investments	5	14,614.21	16,810.02
Other Non-Current Financial Assets	6	21.58	3,285.00
Deferred Tax Assets (Net)	7	9,790.21	11,425.20
Income Tax Assets (Net)		3,917.92	3,430.87
Total Non-Current Assets		43,083.22	41,276.67
Current Assets			
Inventories	8	63,144.31	44,766.37
Financial Assets			
Investments	9	-	8,507.45
Trade Receivables	10	3,858.87	4,443.18
Cash and Cash Equivalents	11	1,156.47	1,751.70
Bank Balances other than above	12	57.52	1,339.93
Loans	13	40,036.33	8,766.50
Other Current Financial Assets	14	5,247.55	6,254.29
Other Current Non Financial Assets	15	4,052.26	6,981.16
Total Current Assets		1,17,553.31	82,810.58
TOTAL ASSETS		1,60,636.53	1,24,087.25
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	16	23.16	23.16
Other Equity		16.54	6,837.56
Total Equity		39.70	6,860.72
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	17	10.10	10.10
Provisions	18	3.41	1.01
Total Non-Current Liabilities		13.51	11.11
Current Liabilities			
Financial Liabilities			
Borrowings	19	1,31,717.51	84,408.11
Lease Liabilities	35	69.28	-
Trade Payables			
total outstanding dues of micro enterprises and small enterprises (refer note 46)		69.54	32.06
total outstanding dues creditors other than micro enterprises and small enterprises		12,983.39	5,447.15
Other Current Financial Liabilities	20	5,054.67	3,248.35
Other Current Non Financial Liabilities	21	10,256.89	23,702.61
Provisions	22	18.04	16.71
Current Tax Liabilities (Net)		414.00	360.43
Total Current Liabilities		1,60,583.32	1,17,215.42
Total Liabilities		1,60,596.83	1,17,226.53
TOTAL EQUITY AND LIABILITIES		1,60,636.53	1,24,087.25

Godrej Projects Development Limited

Balance Sheet (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

Significant Accounting Policies

1

The accompanying notes 1 to 47 form an integral part of the 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 Projects Development Limited

CIN: U70102MH2010PLC210227

Mansi Pardiwalla

Partner

Membership No: 108511

Mumbai

May 08, 2020

Rajib Das

Director

DIN: 07619463

Mumbai

May 08, 2020

Rabi Kant Sharma

Director

DIN: 06942339

Godrej Projects Development Limited

Statement of Profit and Loss

for the year ended March 31, 2020

(Currency in INR Lakhs)

Particulars	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
INCOME			
Revenue from Operations	23	35,256.58	1,38,629.26
Other Income	24	5,275.72	5,708.91
Total Income		40,532.30	1,44,338.17
EXPENSES			
Cost of materials consumed	25	47,544.03	6,580.46
Changes in inventories of finished goods and construction work-in-progress	26	(18,377.94)	1,13,925.62
Employee Benefits Expense	27	330.12	330.66
Finance Costs	28	5,717.45	4,576.47
Depreciation and Amortisation Expense	29	426.46	167.96
Other Expenses	30	10,026.75	8,896.33
Total Expenses		45,666.87	1,34,477.50
(Loss)/Profit before Tax		(5,134.57)	9,860.67
Tax Expense Charge/(Credit)			
Current Tax	7(a)	-	(2,323.46)
Deferred Tax	7(b)	1,651.03	6,110.36
Total Tax Expense		1,651.03	3,786.90
(Loss)/Profit for the Year		(6,785.60)	6,073.77
Other Comprehensive Income			
Items that will not be subsequently reclassified to profit or loss			
Remeasurements of the defined benefit plan		(1.05)	(0.06)
Tax on above	7(b)	0.33	0.02
Other Comprehensive Income for the Year (Net of Tax)		(0.72)	(0.04)
Total Comprehensive Income for the Year		(6,786.32)	6,073.73
Earnings Per Share (Amount in INR)			
Basic and Diluted	31	(2,930.49)	2,623.07
Significant Accounting Policies			
	1		

The accompanying notes 1 to 47 form an integral part of the 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 Projects Development Limited

CIN: U70102MH2010PLC210227

Mansi Pardiwalla

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May 08, 2020

Rajib Das

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Mumbai

May 08, 2020

Rabi Kant Sharma

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DIN: 06942339

Godrej Projects Development Limited

Statement of Cash Flows

for the year ended March 31, 2020

(Currency in INR Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash Flow from Operating Activities		
(Loss)/Profit before tax	(5,134.57)	9,860.67
Adjustments for:		
Depreciation and amortisation expense	426.46	167.96
Finance costs	5,717.45	4,576.47
Loss on sale of property, plant and equipment (net)	-	4.17
Share of loss in limited liability partnerships	312.77	-
Interest income	(4,578.73)	(4,239.40)
Profit on sale of investments (net)	(637.05)	(148.98)
Income from Investment measured at FVTPL	-	(228.78)
Provision / Expected Credit Loss on financial assets	140.00	620.00
Write down of inventories	489.48	-
Assets Written off	80.07	-
Operating (loss) / profit before working capital changes	(3,184.11)	10,612.11
Changes in Working Capital:		
(Decrease) in Non Financial Liabilities	(13,316.50)	(80,984.53)
Increase / (Decrease) in Financial Liabilities	9,054.27	(2,784.22)
(Increase) / Decrease in Inventories	(16,418.01)	1,15,576.04
Decrease in Non Financial Assets	2,848.83	1,652.63
Decrease / (Increase) in Financial Assets	4,665.29	(3,626.25)
	(13,166.13)	29,833.67
Taxes Paid (net)	(433.48)	(1,161.25)
Net cash flows (used in)/ generated from operating activities	(16,783.72)	39,284.53
Cash Flow from Investing Activities		
Acquisition of property, plant and equipment	(13.15)	(6.84)
Proceeds from sale of property, plant and equipment	-	0.66
Investment in debentures of subsidiaries and joint ventures (refer note 37)	(2,411.98)	(1,801.24)
Proceeds from sale of Investment in debentures	1,447.19	-
Proceeds from redemption of investments in subsidiaries and joint ventures (refer note 37)	3,106.57	0.25
Proceeds from sale of investments in equity	12,483.84	-
Investment in subsidiaries and joint ventures (refer note 37)	(20,806.40)	(4,273.81)
Sale / (Purchase) of mutual funds (net)	9,144.50	(3,658.12)
Sale of investments in fixed deposits (net)	1,260.83	1,396.55
Loan (given to)/repaid by subsidiaries and joint ventures (net)	(25,470.27)	4,783.93
Loan (given) to others (net)	(4,166.27)	-
Interest Received	2,897.53	1,454.84
Net cash flows (used in) investing activities	(22,527.61)	(2,103.78)
Cash Flow from financing activities		
Proceeds/(Repayment) of short-term borrowings (net)	39,874.35	(35,717.88)
Interest paid	(826.39)	(1,264.26)
Payment of Lease liabilities	(331.86)	-
Net cash flows generated from / (used in) financing activities	38,716.10	(36,982.14)
Net (Decrease) / Increase in Cash and Cash Equivalents	(595.23)	198.61
Cash and Cash Equivalents - Opening Balance	1,751.70	1,553.09
Cash and Cash Equivalents - Closing Balance (refer note 45)	1,156.47	1,751.70

Godrej Projects Development Limited

Statement of Cash Flows (Continued)

for the year ended March 31, 2020

(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	As at March 31, 2020	As at March 31, 2019
Cash and Cash Equivalents (Refer Note 45)	1,156.47	1,751.70
Cash and Cash Equivalents as per the Statement of Cash Flows	1,156.47	1,751.70

(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

Particulars	As at April 01, 2019	Changes as per the Statement of	Non Cash Changes Conversion into loan	Fair Value Changes	As at March 31, 2020
Long-term borrowings	10.10	-	-	-	10.10
Short-term borrowings	78,476.32	39,874.35	5,931.79	-	1,24,282.46

Reconciliation of liabilities arising from financing activities

Particulars	As at April 01, 2018 (Restated)	Changes as per the Statement of	Non Cash Changes Conversion into loan	Fair Value Changes	As at March 31, 2019
Long-term borrowings	10.10	-	-	-	10.10
Short-term borrowings	1,08,618.24	(35,717.88)	5,575.96	-	78,476.32

The accompanying notes 1 to 47 form an integral part of the 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 Projects Development Limited

CIN: U70102MH2010PLC210227

Mansi Pardiwalla

Partner

Membership No: 108511

Mumbai

May 08, 2020

Rajib Das

Director

DIN: 07619463

Mumbai

May 08, 2020

Rabi Kant Sharma

Director

DIN: 06942339

Godrej Projects Development Limited

Statement of Changes in Equity

for the year ended March 31, 2020

(Currency in INR Lakhs)

a) Equity Share Capital

Particulars	As At	As At
	March 31, 2020	March 31, 2019
Balance at the beginning of the year	23.16	23.16
Changes in equity share capital during the year	-	-
Balance at the end of the year	<u>23.16</u>	<u>23.16</u>

b) Other Equity

Particulars	Reserves and surplus			Total
	Capital Reserve (Refer Note (a) below)	Securities Premium (Refer Note (b) below)	Retained Earnings (Refer Note (c))	
Balance as at April 01, 2018	(1,843.05)	5,567.58	(2,960.70)	763.83
Total comprehensive income:				
i) Profit for the year	-	-	6,073.77	6,073.77
ii) Remeasurements of the defined benefit plan (net of tax) (refer note 32)	-	-	(0.04)	(0.04)
Balance as at March 31, 2019	<u>(1,843.05)</u>	<u>5,567.58</u>	<u>3,113.03</u>	<u>6,837.56</u>
Balance as at April 01, 2019 (as previously reported)	(1,843.05)	5,567.58	3,113.03	6,837.56
Adjustment on initial application of IND AS 116 (refer note 35)	-	-	(34.70)	(34.70)
Restated Balances as at April 01, 2019	(1,843.05)	5,567.58	3,078.33	6,802.86
Total comprehensive income:				
i) Profit for the year	-	-	(6,785.60)	(6,785.60)
ii) Remeasurements of the defined benefit plan (net of tax) (refer note 32)	-	-	(0.72)	(0.72)
Balance as at March 31, 2020	<u>(1,843.05)</u>	<u>5,567.58</u>	<u>(3,707.99)</u>	<u>16.54</u>

(a) Capital Reserve

Capital reserves is created on account of cancellation of investment in equity shares of Godrej Vikhroli Properties India Limited (GVPIL) as a result of merger of GVPIL with Godrej Properties Limited "Holding Company" w.e.f. 01 April 2017 vide National Law Company Tribunal order dated 30 November 2017.

(b) 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.

(c) Retained Earnings

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

The accompanying notes 1 to 47 form an integral part of the Financial Statements.

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 Projects Development Limited

CIN: U70102MH2010PLC210227

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DIN: 06942339

Godrej Projects Development Limited

Notes Forming Part of Financial Statements

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1

I. Company overview

Godrej Projects Development Limited (“the Company”) having CIN: U70102MH2010PLC210227 is engaged primarily in the business of real estate construction, development and other related activities. The Company is a public limited company incorporated and domiciled in India having its registered office at Godrej One, 5th Floor, Pirojshahnagar, Eastern Express Highway, Vikhroli, Mumbai - 400079.

II. Basis of preparation and measurement

a) Statement of Compliance

The 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 the 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) (j) and (s) and the impact of transition to Ind AS 116 on the financial statements is disclosed in note 35.

The financial statements of the Company for the year ended March 31, 2020 were authorised for issue by the Board of Directors on May 08, 2020.

b) Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest lakhs, unless otherwise stated.

c) Basis of measurement

These financial statements have been prepared on historical cost basis except certain financial instruments and defined benefit plans 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 Projects Development Limited

Notes forming part of financial statements *(Continued)*

for the year ended March 31, 2020

(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 completed flats and 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 based 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 value of assets is based on management's judgment about the condition of such asset at the point of sale of asset.

- *Recognition and measurement of defined benefit obligations*

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and attrition rate. The discount rate is determined by reference to market yields at the end of the reporting period on government securities. The period to maturity of the underlying securities correspond to the probable maturity of the post-employment benefit obligations.

Godrej Projects Development Limited

Notes forming part of financial statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 (*Continued*)

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

d) Use of estimates and judgements (*Continued*)

- *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. Any changes in the aforesaid assumptions will affect the fair value of financial instruments.

- *Impairment losses on investment*

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

- *Recognition of deferred tax asset*

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

- *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, 2020.

f) Measurement of fair values

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

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

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

Godrej Projects Development Limited

Notes forming part of financial statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 *(Continued)*

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

f) Measurement of fair values *(Continued)*

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

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

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

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

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

g) Operating Cycle

The normal operating cycle in respect of operation relating to under construction real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed and realisation of project into cash and cash equivalents and range from 3 to 7 years. Accordingly, project related assets and liabilities have been classified into current and non-current based on operating cycle of respective projects. All other assets and liabilities have been classified into current and non-current based on a period of twelve months.

III. Significant Accounting Policies

a. Business combination

Common control transactions are accounted for based on pooling of interests method where the assets and liabilities of the acquiree are recorded at their existing carrying values. The identity of reserves of the acquiree is preserved and the difference between consideration and the face value of the share capital of the acquiree is transferred to capital reserve, which is shown separately from other capital reserves.

The financial information in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements irrespective of the actual date of the combination.

Godrej Projects Development Limited

Notes forming part of financial statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

b. Property, plant and equipment and depreciation and amortisation

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.

ii) *Subsequent expenditure*

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

iii) *Depreciation and amortisation*

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 to the Companies Act, 2013. The useful lives of certain motor vehicles are estimated in the range of 3-8 years. These lives are different from those indicated in Schedule II and based on internal technical evaluation.

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

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

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

Godrej Projects Development Limited

Notes forming part of financial statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

c. 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.

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.

d. Impairment of non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment loss is recognised for such excess amount. The impairment loss is recognised as an expense in the statement of profit and loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and the value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss, to the extent the amount was previously charged to the statement of profit and loss. In case of revalued assets, such reversal is not recognised.

Godrej Projects Development Limited

Notes forming part of financial statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

e. 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.

f. Investment in subsidiaries, joint ventures and associate

Investments in equity shares of subsidiaries, joint ventures and associate are recorded at cost and reviewed for impairment at each reporting date. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, joint ventures and associate, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

g. 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.

Godrej Projects Development Limited

Notes forming part of financial statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

g. Financial instruments *(Continued)*

I. Financial assets *(Continued)*

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

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

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

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

Debt instruments at Fair Value through Profit or Loss

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

Godrej Projects Development Limited

Notes forming part of financial statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

g. Financial instruments *(Continued)*

I. Financial assets *(Continued)*

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 (FVTOCI) 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 FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income (OCI). There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of such investments.

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

Derecognition

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

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

Impairment of financial assets

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

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

Godrej Projects Development Limited

Notes forming part of financial statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

g. Financial instruments (*Continued*)

II. Financial Liabilities

Classification

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

Initial recognition and measurement

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

Loans and borrowings

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

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

This category generally applies to loans and borrowings.

Derecognition

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

III Offsetting of financial instruments

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

IV Share Capital

Ordinary equity shares

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

Godrej Projects Development Limited

Notes forming part of financial statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

h. Inventories

Inventories are valued as under:

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

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

i. Revenue Recognition

The Company derives revenues primarily from sale of properties comprising of both commercial and 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.

In arrangements for sale of units the Company has applied the guidance in Ind AS 115, on “Revenue from contracts with customers”, 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.

Contract Liabilities are recognised when there is billing in excess of revenue and advance received from customers.

The Company enters into Development and Project Management agreements with land-owners. Accounting for income from such projects, measured at fair value, is done on accrual basis as per the terms of the agreement.

Godrej Projects Development Limited

Notes forming part of financial statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

i. Revenue Recognition *(Continued)*

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.

j. Leases

Policy applicable before April 01, 2019

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

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

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

Policy applicable after April 01, 2019

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

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

Godrej Projects Development Limited

Notes forming part of financial statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

j. Leases (*Continued*)

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.

k. 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.

Godrej Projects Development Limited

Notes forming part of financial statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

k. Income tax *(Continued)*

Deferred tax

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

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

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

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

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

Deferred tax assets and liabilities are offset only if:

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

Minimum Alternative Tax (MAT)

MAT credit is recognised as a deferred tax asset only when and to the extent there is a convincing evidence that the Company will pay normal tax during specified period. MAT credit is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

l. Employee benefits

Short term employee benefits

Short-term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Godrej Projects Development Limited

Notes forming part of financial statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

i. Employee benefits *(Continued)*

Defined contribution plans

Obligations for contributions to defined contribution plans such as Provident Fund is expensed as the related service is provided.

Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, after discounting the same.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses are recognised immediately in other comprehensive income (OCI). Re-measurement, if any, are not reclassified to the statement of profit and loss in subsequent period. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, based on the market yield on government securities as at the reporting date, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. They are therefore measured at the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the projected unit credit method. The discount rates used are based on the market yields on government securities as at the reporting date. Re-measurements are recognised in the statement of profit and loss in the period in which they arise.

m. 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 period in which they are incurred.

Godrej Projects Development Limited

Notes forming part of financial statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

n. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

o. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, 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.

p. Provisions and contingent liabilities

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

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

- (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the financial statements. However, the same are disclosed in the financial statements where an inflow of economic benefit is probable.

Godrej Projects Development Limited

Notes forming part of financial statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

q. 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.

r. Segment reporting

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

s. Change in significant accounting policies

The Company has applied Ind AS 116 Leases using the modified retrospective approach (for all leases other than short-term leases and leases of low-value assets) i.e. by recognising the cumulative effect of initially applying Ind AS 116 as an adjustment to the opening balance of equity as at April 01, 2019. Due to the transition method chosen by the Company in applying this standard, comparative information throughout these financial statements has not been restated and continues to be reported under IND AS 17.

Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses related to those leases will change as Ind AS 116 replaces the operating lease expense (i.e. rent) with depreciation charge for ROU assets and interest expense on lease liabilities.

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

2 Property, Plant and Equipment

Particulars	GROSS BLOCK			As at March 31, 2020	ACCUMULATED DEPRECIATION/ AMORTISATION			NET BLOCK		
	As At April 01, 2019	Additions during the year	Deductions during the year		As at April 01, 2019	For the Year	Deductions	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Tangible assets										
Leasehold Improvements	356.33	-	-	356.33	261.95	80.68	-	342.63	13.70	94.38
Office Equipment's	81.47	2.15	-	83.62	64.21	7.97	-	72.18	11.44	17.26
Site Equipment's	78.82	-	-	78.82	56.09	10.48	-	66.57	12.25	22.73
Furniture and Fixtures	261.76	1.18	-	262.94	162.82	26.34	-	189.16	73.78	98.94
Computers	19.42	9.82	-	29.24	15.45	3.72	-	19.17	10.07	3.97
Vehicles	65.13	-	-	65.13	42.00	7.26	-	49.26	15.87	23.13
Total Property, Plant and Equipment	862.93	13.15	-	876.08	602.52	136.45	-	738.97	137.11	260.41

Particulars	GROSS BLOCK			As at March 31, 2019	ACCUMULATED DEPRECIATION/ AMORTISATION			NET BLOCK		
	As At April 01, 2018 (Restated)	Additions during the year	Deductions during the year		As at April 01, 2018 (Restated)	For the Year	Deductions	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018 (Restated)
Tangible assets										
Leasehold Improvements	356.33	-	-	356.33	181.27	80.68	-	261.95	94.38	175.06
Office Equipment's	85.57	0.33	4.43	81.47	54.59	13.77	4.15	64.21	17.26	30.98
Site Equipment's	78.82	-	-	78.82	36.71	19.38	-	56.09	22.73	42.11
Furniture and Fixtures	276.76	4.75	19.75	261.76	142.98	35.40	15.56	162.82	98.94	133.78
Computers	24.79	1.76	7.13	19.42	19.97	2.26	6.78	15.45	3.97	4.82
Vehicles	65.13	-	-	65.13	31.46	10.54	-	42.00	23.13	33.67
Total Property, Plant and Equipment	887.40	6.84	31.31	862.93	466.98	162.03	26.49	602.52	260.41	420.42

Refer Note 39 for disclosure of Capital Commitments for acquisition of Property, plant and equipment.)

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

3 Intangible Assets

Particulars	GROSS BLOCK				ACCUMULATED AMORTISATION				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
Licenses and Software	33.24	-	-	33.24	22.34	5.77	-	28.11	5.13	10.90
Total Intangible Assets	33.24	-	-	33.24	22.34	5.77	-	28.11	5.13	10.90

Particulars	GROSS BLOCK				ACCUMULATED AMORTISATION				NET BLOCK	
	As At April 01, 2018	Additions during the year	Deductions during the year	As at March 31, 2019	As at April 01, 2018	For the Year	Deductions	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Licenses and Software	33.24	-	-	33.24	16.41	5.93	-	22.34	10.90	16.83
Total Intangible Assets	33.24	-	-	33.24	16.41	5.93	-	22.34	10.90	16.83

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

	March 31, 2020	March 31, 2019
4 Investment in Subsidiaries and Joint Ventures		
Particulars		
a) Investment in Equity Instruments (Fully Paid-up unless stated otherwise) (unquoted)		
(i) Investment in Subsidiary Companies		
Godrej Home Developers Private Limited	0.50	0.50
5,000 (Previous Year: 5,000) Equity Shares of INR 10/- each		
Prakritiplaza Facilities Management Private Limited	0.00	0.00
1 (Previous Year: 1) Equity Shares of INR 10/- each		
Godrej Genesis Facilities Management Private Limited	1.00	1.00
10,000 (Previous Year: 10,000) Equity Shares of INR 10/- each		
Godrej Landmark Redevelopers Private Limited	4,275.86	4,275.86
(Classified as Joint Venture upto March 15, 2019)		
50,000 (Previous Year: 50,000) Equity Shares of INR 10/- each		
(ii) Investment in Joint Ventures		
Godrej Skyline Developers Private Limited	26.00	26.00
260,000 (Previous Year: 260,000) Equity Shares of INR 10/- each		
Godrej Redevelopers Mumbai Private Limited	444.06	444.06
28,567 (Previous Year: 28,567) Equity Shares of INR 10/- each		
Munjal Hospitality Private Limited	8,322.56	-
6,09,61,200 (Previous Year: Nil) Equity Shares of INR 10/-		
b) Investment in Preference Shares (Fully paid-up unless stated otherwise) (at Fair Value through Profit or Loss) (unquoted)		
Investment in Joint Ventures		
Godrej Skyline Developers Private Limited	1,472.72	1,300.00
13,000,000 (Previous Year: 13,000,000) 0.01% Redeemable Non-cumulative Preference Shares of INR 10/- each		
c) Investment In Limited Liability Partnerships		
(i) Investment in Subsidiaries		
Godrej Highrises Realty LLP	0.10	0.10
Godrej Project Developers & Properties LLP	0.10	0.10
Godrej Skyview LLP	0.10	0.10
Godrej Athenmark LLP	0.10	0.10
Godrej Vestamark LLP (Classified as Joint Venture w.e.f. May 03, 2019)	-	0.10
Godrej Green Properties LLP	0.10	0.10
Godrej Projects (Soma) LLP	0.10	0.10
Godrej Projects North LLP (formerly known as Godrej Projects (Bluejay) LLP)	0.10	0.10
Ashank Realty Management LLP	0.00	-
Ashank Facility Management LLP	0.01	-
(ii) Investment In Joint Ventures		
A R Landcraft LLP	5.00	5.00
Godrej Reserve LLP (formerly known as Sai Srushti Onehub Projects LLP)	0.50	0.50
Mahalunge Township Developers LLP (formerly known as Godrej Land Developers LLP)	0.00	0.00
Manjari Housing Projects LLP (formerly known as Godrej Avamark LLP)	0.00	0.00
Maan-Hinge Township Developers LLP (formerly known as Godrej Projects (Pune) LLP)	0.00	0.00
Godrej Vestamark LLP (Classified as Subsidiary upto May 02, 2019)	0.10	-
Godrej City Facilities Management LLP	0.00	0.00
Embellish Houses LLP	0.00	0.00
Suncity Infrastructures (Mumbai) LLP	0.50	0.50
Godrej Olympia LLP	0.00	-
Godrej Florentine LLP	0.00	-
INR 0.00 represents amount less than INR 500		

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

	March 31, 2020	March 31, 2019
4 Investment in Subsidiaries and Joint Ventures (Continued)		
c) Investment In Limited Liability Partnerships (Continued)		
(iii) Other Investments		
Investment in Preference Shares (Fully paid-up unless stated otherwise) (at Amortised Cost) (unquoted)		
Godrej Highrises Properties Private Limited (Refer note (a) below)		
510 (Previous Year: 510) 7% Redeemable Non-cumulative Preference Shares of INR 10/- each	0.05	0.05
	<u>14,549.56</u>	<u>6,054.27</u>
5 Other Investments (Non-Current)		
(i) Investment in Debentures of Subsidiary (Fully paid-up) (at Fair Value through Profit or Loss) (Unquoted)		
Godrej Landmark Redevelopers Private Limited		
Nil (Previous Year 2,967,344) 10% Secured Cumulative Optionally Convertible Debentures of INR 100/- each (Classified as Joint Venture upto March 15, 2019)	-	3,106.57
(ii) Investment in Debentures of Joint Ventures (Fully paid-up) (at Fair Value through Profit or Loss) (Unquoted)		
Godrej Skyline Developers Private Limited		
5,304,000 (Previous Year: 5,304,000) 12% Unsecured Optionally Compulsorily Convertible Debentures of INR 100/- each	5,290.29	5,255.40
(iii) Investment in Debentures of Joint Ventures (Fully paid-up) (at Amortised Cost)		
Godrej Redevelopers Mumbai Private Limited	8,367.67	8,448.05
843,736 (Previous Year: 843,736) 12% (Previous year: 17.45%) Unsecured Compulsorily Convertible Debentures of INR 1,000/- each		
Munjal Hospitality Private Limited	956.25	-
9,66,000 (Previous Year: Nil) 12% Unsecured Optionally Compulsorily Convertible Debentures of INR 100/- each		
	<u>14,614.21</u>	<u>16,810.02</u>
Aggregate book value of Unquoted Investments	14,614.21	16,810.02
6 Other Non-Current Financial Assets		
Unsecured, Considered Good		
Deposit With Banks (refer note (a) below)	21.58	-
Deposits - Others	-	3,285.00
	<u>21.58</u>	<u>3,285.00</u>

(a) Fixed deposits held as margin money and lien marked for issuing bank guarantees amounting to INR 21.58 Lakhs (Previous Year: INR Nil Lakhs).

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

7 Deferred Tax Assets and Tax Expense

a) Amounts recognised in the statement of profit and loss

Particulars	31 March 2020	31 March 2019
Current Tax (credit)	-	(2,323.46)
Current Tax	-	(2,323.46)
Deferred Tax Charge	1,651.03	6,110.36
Deferred Tax	1,651.03	6,110.36
Tax Expense for the year	1,651.03	3,786.90

b) Movement in Deferred Tax Balances

Particulars	Balance as at April 01, 2019	Recognised in Profit or Loss	Movement during the year		Others	Balance as at March 31, 2020
			Recognised in OCI	Recognised in Other Equity		
Deferred Tax Assets/ (Liabilities)						
Property, Plant and Equipment	112.01	(4.19)	-	-	-	107.82
Brought Forward Loss	7,642.53	(1,114.54)	-	-	-	6,527.99
Inventories	1,271.18	(521.89)	-	-	-	749.29
Unabsorbed Depreciation	110.38	19.19	-	-	-	129.57
Employee Benefits	5.53	(0.46)	0.33	-	-	5.40
MAT Credit	674.92	(674.92)	-	-	-	-
Provision for doubtful receivables	1,161.75	(325.14)	-	-	-	836.61
Expenses disallowed under Income Tax Act, 1961	175.77	996.11	-	-	-	1,171.89
Other Items	271.13	(25.19)	-	15.72	-	261.65
Deferred Tax Assets/ (Liabilities)	11,425.20	(1,651.03)	0.33	15.72	-	9,790.21

Particulars	Balance as at April 01, 2018	Recognised in Profit or Loss	Movement during the year		Others	Balance as at March 31, 2019
			Recognised in OCI	Recognised in Other Equity		
Deferred Tax Assets / (Liabilities)						
Property, Plant and Equipment	73.47	38.54	-	-	-	112.01
Carry Forward Loss	14,515.64	(6,873.11)	-	-	-	7,642.53
Inventories	2,089.52	(818.34)	-	-	-	1,271.18
Unabsorbed Depreciation	27.27	83.11	-	-	-	110.38
Employee Benefits	4.38	1.13	0.02	-	-	5.53
MAT Credit	674.92	-	-	-	-	674.92
Provision for doubtful receivables	-	1,161.75	-	-	-	1,161.75
Expenses disallowed under Income Tax Act, 1961	-	175.77	-	-	-	175.77
Other Items	150.36	120.79	-	(0.02)	-	271.13
Deferred Tax Assets / (Liabilities)	17,535.56	(6,110.36)	0.02	(0.02)	-	11,425.20

c) Reconciliation of Effective Tax Rate

Particulars	31 March 2020	31 March 2019
(Loss)/Profit before Tax	(5,134.57)	9,860.67
Tax using the Company's domestic tax rate	25.17%	31.20%
Tax effect of:	(1,292.27)	3,076.53
Non-deductible expenses	-	33.70
Tax-exempt income	78.72	237.16
Change in recognised deductible temporary differences	58.96	(9.37)
Rate difference	2,211.90	444.84
Other adjustments	593.72	4.04
Tax expense recognised	1,651.03	3,786.90

Godrej Projects Development Limited

Notes Forming Part of Financial Statements *(Continued)*

as at March 31, 2020

(Currency in INR Lakhs)

7 Deferred Tax Assets and Tax Expense *(Continued)*

- d) The Company has recognised deferred tax asset to the extent that the same will be recoverable using the estimated future taxable income based on the approved business plans and budgets of the Company. The Company is expected to generate taxable income from the Financial Year ended March 31, 2023 onward. The business losses can be carried forward for a period of 8 years as per the tax regulations and the Company expects to recover the losses.
- e) A new Section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section and accordingly, the Company has decided to adopt the new tax rate has recognised provision for income tax on the basis of the rate prescribed in the said new section and re-measured its deferred tax assets/liabilities accordingly for the year ended March 31, 2020.
- 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 Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

	March 31, 2020	March 31, 2019
8 Inventories (Valued at lower of Cost and Net Realisable Value)		
Finished Goods	15,752.56	-
Construction Work in Progress (Refer Note 44)	47,391.75	44,766.37
	63,144.31	44,766.37
9 Investments		
Unquoted		
Investment in Mutual Funds carried at Fair Value through Profit or Loss	-	8,507.45
	-	8,507.45
Market Value of unquoted Investments		
Aggregate book value of Unquoted Investments and Market Value thereof	-	8,507.45
10 Trade Receivables		
<i>From related parties</i>		
Unsecured, Considered Good	197.01	381.84
<i>From parties other than related parties</i>		
Unsecured, Considered Good	3,661.87	4,061.34
Unsecured, Credit Impaired	3,863.56	3,723.56
Less: Allowance for Credit Risk	(3,863.56)	(3,723.56)
	3,858.87	4,443.18
11 Cash and Cash Equivalents		
Balances With Banks (refer note 45)		
In Current Accounts	462.89	797.67
In Fixed Deposit Accounts with maturity less than 3 months	647.44	950.00
Cheques On Hand	45.97	3.28
Cash On Hand	0.17	0.75
	1,156.47	1,751.70
12 Bank Balances other than above		
Balances With Banks (refer note 45)		
In Fixed Deposit Accounts with maturity more than 3 months but less than 12 months (Refer Note (a) below)	57.52	1,339.93
	57.52	1,339.93

(a) Fixed deposits held as margin money and lien marked for issuing bank guarantees amounting to INR Nil Lakhs (Previous Year: INR 2.69 Lakhs)

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

	March 31, 2020	March 31, 2019
13 Loans (Current)		
Secured, Considered Good		
<i>To parties other than related parties</i>		
Deposits - Projects (Refer Note (a) below)	950.00	950.00
Unsecured, Considered Good		
<i>To related parties</i>		
Loan to Related Parties	34,733.53	7,655.09
<i>To parties other than related parties</i>		
Loan to others	4,166.27	-
Recoverable from projects	186.53	161.41
	<u>40,036.33</u>	<u>8,766.50</u>

(a) Deposits - Projects are Secured against Terms of Development Agreement.

14 Other Current Financial Assets

Unsecured, Considered Good

To related parties

Receivable from LLPs	337.42	-
Deposits - Others (includes lease rent security deposit)	165.93	-
Interest Accrued	3,496.91	4,062.12

To parties other than related parties

Deposits - Others	606.67	2,164.73
Interest Accrued	546.99	27.44
Others (includes expenses recoverable etc.)	93.63	-

	<u>5,247.55</u>	<u>6,254.29</u>
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15 Other Current Non Financial Assets

Unsecured, Considered Good

To parties other than related parties

Unbilled Revenue	60.51	19.49
Balances with Government Authorities (includes Goods and Services Tax, Tax Deducted at Source)	3,434.73	3,293.83
Advance to Suppliers and Contractors	340.85	2,096.96
Prepayments	5.50	18.77
Others (includes advance for development rights, deferred brokerage etc.)	207.10	1,052.78

Secured, Considered Good

To parties other than related parties

Advance to Suppliers and Contractors (Refer Note (a) below)	3.56	499.33
	<u>4,052.26</u>	<u>6,981.16</u>

(a) Advance to Suppliers and Contractors includes advances amounting to INR 3.56 lakhs (Previous Year: INR 499.33 lakhs) secured against bank guarantees.

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

March 31, 2020 March 31, 2019

16 Equity Share Capital

a) Authorised :

250,000 Equity Shares of INR 10/- each (Previous Year: 250,000 Equity Shares of INR 10/- each)	25.00	25.00
150,000 Preference Shares of INR 10/- each (Previous Year: 150,000 Preference Shares of INR 10/- each)	15.00	15.00
	40.00	40.00

b) Issued, Subscribed and Paid-Up:

231,552 Equity Shares of INR 10/- each (Previous Year: 231,552 Equity Shares of INR 10/- each) fully paid up	23.16	23.16
	23.16	23.16

100,999 (Previous Year: 100,999) 7% Redeemable non-cumulative preference shares of INR 10 each (total face value of INR 10.10 lakhs (Previous year: INR 10.10 lakhs) are classified as financial liabilities (See Note 17)

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

	March 31, 2020		March 31, 2019	
	No. of Shares	INR (In Lakhs)	No. of Shares	INR (In Lakhs)
Equity Shares :				
Outstanding at the beginning of the year	2,31,552	23.16	2,31,552	23.16
Issued during the year	-	-	-	-
Outstanding at the end of the year	2,31,552	23.16	2,31,552	23.16
7%, Redeemable non-cumulative preference shares:				
Outstanding at the beginning of the year	1,00,999	10.10	1,00,999	10.10
Issued during the year	-	-	-	-
Outstanding at the end of the year	1,00,999	10.10	1,00,999	10.10

100,999 (Previous Year: 100,999) 7% Redeemable non-cumulative preference shares of INR 10 each (total face value of INR 10.10 lakhs (Previous year: INR 10.10 lakhs) are classified as financial liabilities (See Note 17)

d) Shareholding Information

	March 31, 2020		March 31, 2019	
	No. of Shares	INR (In Lakhs)	No. of Shares	INR (In Lakhs)
Equity shares are held by:				
Godrej Properties Limited (Holding Company)	2,31,552	23.16	2,31,552	23.16
7%, Redeemable non-cumulative preference shares are held by:				
Godrej Properties Limited (Holding Company)	1,00,999	10.10	1,00,999	10.10

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

16 Equity Share Capital (Continued)

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 case of interim dividend. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Rights, preferences and restrictions attached to preference shares

Preference shares carry a preferential right as to dividend over equity shareholders. The preference shares are not be entitled to vote at the general meeting of the Company except on any resolution placed before the Company which directly affect, the right attached to the preference shares. In the event of liquidation, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares.

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

Particulars	March 31, 2020		March 31, 2019	
	No. of Shares	%	No. of Shares	%
Equity shares				
Godrej Properties Limited	2,31,552	100.00%	2,31,552	100.00%
7%, Redeemable non-cumulative preference shares:				
Godrej Properties Limited	1,00,999	100.00%	1,00,999	100.00%

g) Preference shares allotted as fully paid-up without payment being received in cash

Particulars	April 01, 2017	
	No. of Shares	INR (In Lakhs)
Preference Shares:		
Godrej Properties Limited	10,999	10.10

The Company has not allotted any preference shares as fully paid-up without payment being received in cash in preceding five years other than those disclosed above.

17 Borrowings (Non-Current)

Particulars	March 31, 2020	March 31, 2019
Unsecured Preference Shares		
7% 10,999 (Previous year: 10,999) Redeemable Non Cumulative Preference Shares (Refer Note (a) and (b) below)	10.10	10.10
	10.10	10.10

- (a) The 7% Non Cumulative Preference shares are redeemable at par at any time after the end of the first year from the date of the allotment upto the completion of the term of 20 years. The 7% Non Cumulative Preference shares amounting to INR 2.55 lakhs and INR 2.55 lakhs were issued on December 1, 2014 and March 31, 2015 respectively.
- (b) Non-cumulative preference shares were payable as consideration pursuant to the Scheme of Arrangement ('the Scheme') to merge Godrej Buildcon Private Limited ("Transferor Company") with the Company vide NCLT order dated August 27, 2018, w.e.f December 01, 2017 . The 7% Non Cumulative Preference shares amounting to INR 5.00 Lakhs were issue on March 31, 2019.

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

	March 31, 2020	March 31, 2019
18 Provisions (Non-Current)		
Provision for Employee Benefits		
Compensated Absences	-	0.79
Gratuity	3.41	0.22
	<u>3.41</u>	<u>1.01</u>
19 Borrowings (Current)		
Unsecured		
Loan from Related party (Refer Note (a) and (b) below)	1,31,717.51	84,408.11
	<u>1,31,717.51</u>	<u>84,408.11</u>
(a) Loan from related party includes amount charged by the Holding Company towards overhead expenses. Loan is repayable on demand and carries an interest rate of 8% per annum (Previous Year: 8%) (refer note 37)		
(b) The outstanding interest on borrowings as at last year end is converted into loan as on first day of the next financial year.		
20 Other Current Financial Liabilities		
Deposits - Others	204.08	169.51
Share of Loss from LLPs	1,563.89	913.70
Other Liabilities (includes advance for development rights etc.)	3,286.70	2,165.14
	<u>5,054.67</u>	<u>3,248.35</u>
21 Other Current Non Financial Liabilities		
Statutory Dues (includes GST and TDS)	725.02	642.95
Advances Received Against Sale of Flats/ Units	8,996.86	22,993.06
Other (includes advance from customer for maintenance, etc.)	535.01	66.60
	<u>10,256.89</u>	<u>23,702.61</u>
22 Provisions (Current)		
Provision for Employee Benefits		
Gratuity	18.04	16.66
Compensated Absences	-	0.05
	<u>18.04</u>	<u>16.71</u>

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

	March 31, 2020	March 31, 2019
23 Revenue from Operations		
Sale of Real Estate Developments	30,325.35	1,35,830.40
Sale of Services	707.05	-
Other Operating Revenues		
Other Income from Customers	4,052.24	2,790.79
Lease Rent	171.94	8.07
	<u>35,256.58</u>	<u>1,38,629.26</u>
24 Other Income		
Interest Income	4,578.73	4,239.40
Income from Investment measured at FVTPL	-	228.78
Profit on Sale of Investments (net)	637.05	148.98
Miscellaneous Income	59.94	1,091.75
	<u>5,275.72</u>	<u>5,708.91</u>
25 Cost of materials consumed		
Land/ Development Rights	25,965.82	-
Construction, Material and Labour	9,083.80	1,423.08
Architect Fees	212.05	18.29
Finance Costs	2,569.92	2,619.58
Other Costs	9,712.44	2,519.51
	<u>47,544.03</u>	<u>6,580.46</u>
26 Changes in inventories of finished goods and construction work-in-progress		
Inventories at the beginning of the year		
Finished Goods	-	-
Construction Work-in-Progress	44,766.37	1,58,700.66
	<u>44,766.37</u>	<u>1,58,700.66</u>
Inventories at the end of the year		
Finished Goods	15,752.56	-
Construction Work-in-Progress	47,391.75	44,766.37
	<u>63,144.31</u>	<u>44,766.37</u>
Less : Transferred to current assets	-	8.67
	<u>(18,377.94)</u>	<u>1,13,925.62</u>
27 Employee Benefits Expense		
Salaries, Bonus, and Allowances	306.25	314.34
Contribution to Provident and Other Funds	8.25	-
Staff Welfare Expenses	15.62	16.32
	<u>330.12</u>	<u>330.66</u>

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

	March 31, 2020	March 31, 2019
28 Finance Costs		
Interest Expense	8,268.13	7,196.05
Interest on Income Tax	0.27	-
Total Interest Expenses	8,268.40	7,196.05
Other Borrowing costs	18.97	-
Total Finance Costs	8,287.37	7,196.05
Less : Transferred to construction work-in-progress	(2,569.92)	(2,619.58)
Net Finance Costs	5,717.45	4,576.47
29 Depreciation and Amortisation Expense		
Depreciation and amortisation on Property, Plant and Equipment	136.46	162.03
Depreciation on Right-of-Use Assets	284.24	-
Amortisation of Intangible Assets	5.77	5.93
	426.46	167.96
30 Other Expenses		
Consultancy Charges	366.99	273.32
Rent	-	331.86
Insurance	27.36	13.27
Rates and Taxes	298.41	67.43
Advertisement and Marketing Expense	2,470.24	1,303.69
Provision / expected credit loss on financial assets	140.00	620.00
Share of loss in LLPs	312.77	756.52
Maintenance Expenses	2,408.78	1,770.12
Business Support services	2,816.66	2,608.86
Other Expenses *	1,185.54	1,151.26
	10,026.75	8,896.33

* includes payment to auditors amounting to INR 26.49 Lakhs (Previous year : 26.86 Lakhs) (refer note 40)

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

31 Earnings Per Share

a) Basic and Diluted Earnings Per Share

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

	March 31, 2020	March 31, 2019
(i) Profit attributable to ordinary shareholders (basic and diluted)		
(Loss)/ Profit for the Year , attributable to ordinary shareholders of the Company	(6,785.60)	6,073.77
	<u>(6,785.60)</u>	<u>6,073.77</u>
(ii) Weighted average number of ordinary shares (basic and diluted)		
Number of equity shares at the beginning of the year	2,31,552	2,31,552
Add: Weighted Average number of equity shares issued during the year	-	-
Weighted Average number of Equity Shares at the end of the year	<u>2,31,552</u>	<u>2,31,552</u>
Basic and Diluted Earnings Per Share (INR) (Face value INR 10 each) (Previous year: INR 10 each)	(2,930.49)	2,623.07

Godrej Projects Development Limited

Notes forming part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

32 Employee Benefits

a) Defined Contribution Plans:

Contribution to Defined Contribution Plans, recognised as expense for the year are as under:

Particulars	March 31, 2020	March 31, 2019
Employers' Contribution to Provident Fund (Gross before allocation)	5.45	4.96

b) Defined Benefit Plans:

Contribution to Gratuity Fund (Non-Funded)

Gratuity is payable to all eligible employees on death or on separation/ termination in terms of the provisions of the Payment of Gratuity Act or as per the Company's policy whichever is beneficial to the employees.

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(i) Change in present value of defined benefit obligation

Particulars	March 31, 2020	March 31, 2019
Present value of obligation as at beginning of the year	16.87	13.73
Interest Cost	1.32	1.06
Service Cost	2.20	2.02
Benefits Paid	-	-
Actuarial (gains) /Losses on obligations- due to change in Demographic Assumptions	(0.35)	0.09
Actuarial (gains) /Losses on obligations- due to change in Financial Assumptions	1.69	(0.13)
Actuarial (gains) /Losses on obligations- due to change in experience	(0.29)	0.10
Present value of obligation, as at end of the year	21.44	16.87

(ii) Amount recognised in the Balance Sheet

Particulars	March 31, 2020	March 31, 2019
Amount recognised in the Balance Sheet		
Present value of obligation as at end of the year	21.44	16.87
Fair value of plan assets as at end of the year	-	-
Net obligation as at end of the year	21.44	16.87

(iii) Net gratuity cost for the year

Particulars	March 31, 2020	March 31, 2019
Recognised in the Statement of Profit and loss		
Current Service Cost	2.20	2.02
Interest Cost	1.32	1.06
Total	3.51	3.08
Recognised in Other Comprehensive Income (OCI)		
Remeasurement due to:		
Actuarial (gains) /Losses on obligations- due to change in Demographic Assumptions	(0.35)	0.09
Actuarial (gains) /Losses on obligations- due to change in Financial Assumptions	1.69	(0.13)
Actuarial (gains) /Losses on obligations- due to change in experience	(0.29)	0.10
Total	1.05	0.06
Net gratuity cost in Total Comprehensive Income (TCI)	4.56	3.14

The cumulative amount of actuarial (gains) / losses on obligation recognised in the other comprehensive income as at March 31, 2020 is INR 5.70 lakhs (Previous year: INR 4.98 lakhs)

Godrej Projects Development Limited

Notes forming part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

32 Employee Benefits (Continued)

- (iv) The Principal assumptions used in determining the present value of defined benefit obligation for the Company's plan are given below:

Particulars	March 31, 2020	31 March 2019
Discount Rate	7.79%	7.79%
Salary escalation rate	8%	8%
Attrition Rate	1%	1%
Mortality	Indian assured lives Mortality(2006-08)	Indian assured lives Mortality(2006-08)

- (v) Sensitivity analysis

A quantitative sensitivity analysis on Defined Benefit Obligation for significant assumptions as at March 31, 2020 is shown below:

Particulars	March 31, 2020		March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount Rate (1% movement)	(0.87)	0.95	(2.01)	2.40
Salary escalation rate (1% movement)	0.93	(0.86)	2.37	(2.03)
Attrition Rate (1% movement)	(0.11)	0.12	(0.04)	0.05

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior year.

- (vi) The expected future cash flows in respect of gratuity as at March 31, 2020 were as follows:

Maturity Analysis of Projected Benefit Obligation: From the Employer

Projected Benefits Payable in Future Years from the Reporting Date	March 31, 2020	March 31, 2019
Expected future benefit payments		
1st Following Year	3.41	0.22
2nd Following Year	3.05	0.24
3rd Following Year	2.72	0.26
4th Following Year	2.43	0.29
5th Following Year	2.17	0.31
Sum of Years 6 to 10	8.71	8.28

Compensated absences

Compensated absences for employee benefits of INR Nil Lakhs (Previous Year: INR 0.05 Lakhs) expected to be paid in exchange of services recognised as an expense during the year.

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

33 Financial instruments – Fair values and risk management

a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

March 31, 2020	Carrying amount			Fair value			Total
	Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	
Financial Assets							
Non-Current							
Investment in Debentures	5,290.29	9,323.92	14,614.21	-	5,290.29	-	5,290.29
Investment in Equity and Preference Instruments	1,472.72	-	1,472.72	-	1,472.72	-	1,472.72
Other Non-Current Financial Assets	-	21.58	21.58	-	-	-	-
Current							
Trade receivables	-	3,858.87	3,858.87	-	-	-	-
Cash and cash equivalents	-	1,156.47	1,156.47	-	-	-	-
Bank balances other than above	-	57.52	57.52	-	-	-	-
Loans	-	40,036.33	40,036.33	-	-	-	-
Other Current Financial Assets	-	5,247.55	5,247.55	-	-	-	-
	6,763.01	59,702.24	66,465.25	-	6,763.01	-	6,763.01
Financial Liabilities							
Non-Current							
Borrowings	-	10.10	10.10	-	-	-	-
Current							
Borrowings	-	1,31,717.51	1,31,717.51	-	-	-	-
Lease Liabilities	-	69.28	69.28	-	-	-	-
Trade Payables	-	13,052.93	13,052.93	-	-	-	-
Other Current Financial Liabilities	-	5,054.67	5,054.67	-	-	-	-
	-	1,49,904.49	1,49,904.49	-	-	-	-

March 31, 2019	Carrying amount			Fair value			Total
	Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	
Financial Assets							
Non-Current							
Investment in Debentures	8,361.97	8,448.05	16,810.02	-	8,361.97	-	8,361.97
Investment in Equity and Preference Instruments	-	6,054.27	6,054.27	-	-	-	-
Other Non-Current Financial Assets	-	3,285.00	3,285.00	-	-	-	-
Current							
Investments	8,507.45	-	8,507.45	8,507.45	-	-	8,507.45
Trade receivables	-	4,443.18	4,443.18	-	-	-	-
Cash and cash equivalents	-	1,751.70	1,751.70	-	-	-	-
Bank Balances other than above	-	1,339.93	1,339.93	-	-	-	-
Loans	-	8,766.50	8,766.50	-	-	-	-
Other Current Financial Assets	-	6,254.29	6,254.29	-	-	-	-
	16,869.42	40,342.92	57,212.34	8,507.45	8,361.97	-	16,869.42
Financial Liabilities							
Non Current							
Borrowings	-	10.10	10.10	-	-	-	-
Current							
Borrowings	-	84,408.11	84,408.11	-	-	-	-
Trade Payables	-	5,479.21	5,479.21	-	-	-	-
Other Current Financial Liabilities	-	3,248.35	3,248.35	-	-	-	-
	-	93,145.77	93,145.77	-	-	-	-

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

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

b) Measurement of Fair Value

- (i) The Company uses the discounted cash flow valuation technique (in relation to financial liabilities measured at amortised cost) which involves determination of the present value of expected payments, discounted using bank rate.
- (ii) 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.
- (iii) The Company uses the Discounted Cash Flow valuation technique (in relation to financial assets measured at amortised cost and fair value through profit or loss) which involves determination of present value of expected receipt/ payment discounted using appropriate discounting rates. The fair value so determined for financial asset measured at fair value through profit and loss are classified as Level 2.

c) Risk Management Framework

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

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

d) Financial risk management

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

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

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

33 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 large number of projects of varying sizes and types with numerous different customer categories in a large number of geographical markets.

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

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

Particulars	March 31, 2020	March 31, 2019
Opening balance	3,723.56	3,103.56
Add: Impairment loss recognised (refer note 30)	140.00	620.00
Closing balance	3,863.56	3,723.56

Investment in Debt Securities, Loans to Related Parties and Project Deposits

The Company has investments in compulsorily convertible debentures / optionally convertible debentures, preference shares, loans to related parties and project deposits. The settlement of such instruments is linked to the completion of the respective underlying projects. Such Financial Assets are not impaired as on the reporting date.

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

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 Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

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

d) Financial risk management (Continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

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

The Company does not have any derivative financial liabilities. The Company invests its surplus funds in bank fixed deposit 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, 2020	Carrying Amount		Contractual cash flows			
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Borrowings	10.10	10.10	-	-	10.10	-
Current						
Borrowings	1,31,717.51	1,31,717.51	1,31,717.51	-	-	-
Lease Liabilities	69.28	69.28	69.28			
Trade Payables	13,052.93	13,058.97	12,981.20	73.72	4.05	-
Other Current Financial Liabilities	5,054.67	5,054.67	5,054.67	-	-	-

March 31, 2019	Carrying Amount		Contractual cash flows			
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Borrowings	10.10	10.10	-	-	10.10	-
Current						
Borrowings	84,408.11	84,408.11	84,408.11	-	-	-
Trade Payables	5,479.21	5,485.48	5,408.28	72.51	4.69	-
Other Current Financial Liabilities	3,248.35	3,248.35	3,248.35	-	-	-

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

33 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, 2020	March 31, 2019
Financial Liabilities		
Fixed Rate Instrument	1,31,727.61	84,418.21
	<u>1,31,727.61</u>	<u>84,418.21</u>
Financial assets		
Fixed Rate Instrument	51,547.05	28,055.09
	<u>51,547.05</u>	<u>28,055.09</u>

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial asset and liabilities at fair value through profit and loss. Therefore, a change in the interest rates at the reporting date would not affect profit or loss.

34 Capital Management

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

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

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

Particulars	March 31, 2020	March 31, 2019
Net debt	1,30,492.04	72,819.13
Total equity	39.70	6,860.72
Net debt to Equity ratio	<u>3,286.95</u>	<u>10.61</u>

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

35 Leases

a) First time Adoption of Ind AS 116 - Leases (Ind AS 116)

Ind AS 116 has been notified by Ministry of Corporate Affairs (MCA) on March 30, 2019 and is effective from accounting period beginning on or after April 01, 2019. The Company has applied modified retrospective approach in adopting the new standard as a lessee (for all leases other than those end within a period of 12 months) and accordingly has given an cumulative effect of applying this standard on the opening balance of retained earnings as at April 01, 2019.

b) The Company has recognised INR Nil Lakhs (Previous Year: INR 345.73 Lakhs) towards minimum lease payments for short-term leases and leases for low-value assets accounted as per paragraph 6 of IND AS 116 and INR 171.94 Lakhs (Previous Year: INR 8.07 Lakhs) minimum lease receipt in the statement of profit and loss.

c) As a 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 and are renewable on a periodic basis by mutual consent on mutually accepted terms.

Right-of-Use Assets	March 31, 2020
Particulars	
Cost	
Balance as at April 01, 2019	1,368.89
Additions	-
Disposals	-
Balance as at March 31, 2020	<u>1,368.89</u>
Accumulated Depreciation	
Balance as at April 01, 2019	1,037.15
Add: Depreciation charge for the year	284.24
Less: Disposals	-
Balance as at March 31, 2020	<u>1,321.39</u>
Carrying amount	
Balance as at April 01, 2019	331.74
Balance as at March 31, 2020	47.50
Lease Liabilities	
Balance as at April 01, 2019	382.17
Add: Interest Expense on lease Liabilities	18.97
Less: Total cashoutflow for leases	(331.86)
Balance as at March 31, 2020	<u>69.28</u>

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

Particulars	March 31, 2020	March 31, 2019
Future minimum lease payments under operating leases		
Not later than 1 year	64.05	664.80
Later than 1 year and not later than 5 years	-	721.15
Later than 5 years	-	-

d) Impact of change in financial Position

The Company has applied modified retrospective approach and hence it has not restated previous period but has given an cumulative effect of applying this standard on the opening balance of retained earnings as at April 01, 2019 amounting to INR 34.70 Lakhs.

e) Impact of change in accounting policy on basic and diluted earning per share

The Company has applied modified retrospective approach and hence it has not restated previous period numbers. Also, the effect of this adoption is not material on the profit and loss for the year ended March 31, 2020.

Godrej Projects Development Limited

Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

35 Leases *(Continued)*

- f) Reconciliation between operating lease commitments disclosed in March 31, 2019 financials applying Ind AS 17 and lease liabilities recognised in the statement of financial position as at April 01, 2019:

Particulars	Amount
Operating lease commitments disclosed in March 31, 2019 financials (under Ind AS 17)	1,385.94
Less: Short-term Leases ending within a period of 12 months adoption of the standard	984.95
Less: Discounting impact	18.83
Lease liabilities recognised in the statement of financial position as at April, 01 2019	382.17

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

36 Revenue from Contracts with Customers

- (a) The amount of INR 13,408.75 Lakh (Previous Year: INR 78,922.60 Lakh) recognised in contract liabilities at the beginning of the year has been recognised as revenue during the year ended March 31, 2020.
- (b) Significant changes in contract asset and contract liabilities balances are as follows:

Particulars	March 31, 2020	March 31, 2019
Contract asset		
At the beginning of the reporting year	19.49	574.77
Cumulative catch-up adjustments to revenue affecting contract asset	41.02	(555.28)
At the end of the reporting period	60.51	19.49
Contract liability		
At the beginning of the reporting period	22,993.06	1,03,749.64
Cumulative catch-up adjustments affecting contract liability	(14,129.71)	(79,785.02)
Significant financing component	133.51	(971.56)
At the end of the reporting period	8,996.86	22,993.06

- (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/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, 2020 is INR 33,081.37 Lakhs (Previous Year: 35,766.96 lakhs). This will be recognised as revenue over a period of 1 to 4 years.

- (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 2020:

Particulars	March 31, 2020	March 31, 2019
Contract price of the revenue recognised	31,417.33	1,34,758.91
Add: Significant financing component	-	1,398.22
Less: Customer incentive/benefits	1,091.99	326.73
Revenue recognised in the Statement of Profit and Loss	30,325.35	1,35,830.40

Godrej Projects Development Limited

Notes forming part of Financial Statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

37 Related Party Disclosures:

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

I Relationships

(i) Shareholders (Holding Company) :

Godrej Properties Limited (GPL) holds (100%) of the equity share capital of the Company.
GPL is the Subsidiary of Godrej Industries Limited (GIL).

(ii) Subsidiaries- Limited Liability Partnership

- 1 Mahalunge Township Developers LLP (formerly known as Godrej Land Developers LLP) (upto January 31, 2019)
- 2 Godrej Projects (Soma) LLP
- 3 Godrej Projects North LLP (formerly known as Godrej Projects (Bluejay) LLP)
- 4 Godrej Highrises Realty LLP
- 5 Godrej Green Properties LLP
- 6 Manjari Housing Projects LLP (formerly known as Godrej Avamark LLP) (upto January 31, 2019)
- 7 Godrej Vestamark LLP (upto May 02, 2019)
- 8 Godrej Athenmark LLP
- 9 Godrej Skyview LLP
- 10 Maan-Hinge Township Developers LLP (formerly known as Godrej Projects (Pune) LLP) (upto January 31, 2019)
- 11 Godrej Project Developers & Properties LLP
- 12 Ashank Realty Management LLP (w.e.f. May 30, 2019)
- 13 Ashank Facility Management LLP (w.e.f. July 09, 2019)

(iii) Subsidiaries- Companies

- 1 Godrej Genesis Facilities Management Private Limited
- 2 Godrej Highrises Properties Private Limited
- 3 Godrej Home Developers Private Limited
- 4 Prakritiplaza Facilities Management Private Limited
- 5 Godrej Landmark Redevelopers Private Limited (w.e.f. March 15, 2019)
- 6 Godrej Residency Private Limited

(iv) Joint Ventures :

- 1 Godrej Landmark Redevelopers Private Limited (Upto March 14, 2019)
- 2 Godrej Redevelopers (Mumbai) Private Limited
- 3 Godrej Skyline Developers Private Limited
- 4 Godrej Reserve LLP (formerly known as Sai Srushti Onchub Projects LLP)
- 5 AR Landcraft LLP
- 6 Mahalunge Township Developers LLP (formerly known as Godrej Land Developers LLP) (w.e.f. February 01, 2019)
- 7 Manjari Housing Projects LLP (formerly known as Godrej Avamark LLP) (w.e.f. February 01, 2019)
- 8 Maan-Hinge Township Developers LLP (formerly known as Godrej Projects (Pune) LLP) (w.e.f. February 01, 2019)
- 9 Godrej Vestamark LLP (w.e.f. May 03, 2019)
- 10 Godrej City Facilities Management LLP (w.e.f. March 18, 2019)
- 11 Embellish Houses LLP (w.e.f. February 13, 2019)
- 12 Suncity Infrastructures (Mumbai) LLP (w.e.f. October 10, 2018)
- 13 Munjal Hospitality Private Limited (w.e.f. June 29, 2019)
- 14 Godrej Florentine LLP (w.e.f. June 21, 2019)
- 15 Godrej Olympia LLP (w.e.f. June 21, 2019)
- 16 Godrej Odyssey LLP (w.e.f. June 21, 2019 till September 25, 2019)

Godrej Projects Development Limited

Notes forming part of Financial Statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

37 Related Party Disclosures: *(Continued)*

(v) Other Related Parties in Godrej Group :

- 1 Godrej and Boyce Manufacturing Company Limited
- 2 Caroa Properties LLP
- 3 Ashank Macbricks Private Limited
- 4 Godrej One Premises Management Private Limited
- 5 Annamudi Real Estates LLP
- 6 Godrej Consumer Products Limited
- 7 Prakhhyat Dwellings LLP
- 8 Cream Line Dairy Products Limited
- 9 Natures Basket Limited (upto July 04,2019)

(vi) Key Management Personnel :

- 1 Amit Choudhury
- 2 Aspy Dady Cooper
- 3 Amitava Mukherjee
- 4 Rabi Kant Sharma
- 5 Rajib Das
- 6 Subha Chakrabarti
- 7 Uday Kaligotla
- 8 Namrata Mehra

Godrej Projects Development Limited

Notes forming part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

37 Related Party Disclosures: (Continued)

II 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), (iii), (iv), (v) and (vi) above

Nature of Transaction	Ultimate Holding Company (GIL) (i)	Godrej Properties Limited (i)	Subsidiary Companies and LLP (ii) & (iii)	Joint Ventures (iv)	Annamudi Real Estates LLP (v)	Other Related Parties in Godrej Group (v)	Key Management Personnel (vi)	Total
Investment in Capital of LLP								
Current year	-	-	0.01	0.00	-	-	-	0.01
Previous Year	-	-	-	0.50	-	-	-	0.50
Investment in Equity Shares								
Current year	-	-	-	20,806.40	-	-	-	20,806.40
Previous Year	-	-	4,273.31	-	-	-	-	4,273.31
Issue of Preference Shares								
Current year	-	-	-	-	-	-	-	-
Previous Year	-	5.00	-	-	-	-	-	5.00
Redemption of Preference Shares								
Current year	-	-	-	-	-	-	-	-
Previous Year	-	5.00	-	-	-	-	-	5.00
Investment in Debentures								
Current year	-	-	-	2,411.98	-	-	-	2,411.98
Previous Year	-	-	1,593.24	208.00	-	-	-	1,801.24
Loans and advances given #								
Current year	-	-	596.32	43,506.52	-	0.12	-	44,102.96
Previous Year	-	-	42.80	6,254.43	-	-	-	6,297.23
Loans and advances recovered								
Current year	-	-	450.00	16,248.14	-	0.12	-	16,698.26
Previous Year	-	-	2.65	11,686.74	-	-	-	11,689.39
Short term borrowings obtained *								
Current year	-	1,19,876.40	-	-	-	-	-	1,19,876.40
Previous Year	-	29,789.21	-	-	-	-	-	29,789.21
Short term borrowings repaid								
Current year	-	73,356.69	-	-	-	-	-	73,356.69
Previous Year	-	65,128.29	-	-	-	-	-	65,128.29
Redemption of preference shares								
Current year	-	-	-	-	-	-	-	-
Previous Year	-	-	-	0.05	-	-	-	0.05
Redemption of debentures								
Current year	-	-	3,106.57	-	-	-	-	3,106.57
Previous Year	-	-	-	-	-	-	-	-
Withdrawal of Capital								
Current year	-	-	-	0.00	-	-	-	0.00
Previous Year	-	-	-	0.20	-	-	-	0.20
Sale of Units								
Current year	-	-	-	-	8,961.57	-	-	8,961.57
Previous Year	-	-	-	-	27,455.67	-	-	27,455.67
Amount received against sale of units								
Current year	-	-	-	-	7,071.98	-	-	7,071.98
Previous Year	-	-	-	-	15,450.21	-	-	15,450.21
Commitments / Bank Guarantee								
Current year	-	451.20	-	-	-	-	-	451.20
Previous Year	-	299.47	-	-	-	-	-	299.47
Interest charged by other company								
Current year	-	8,261.17	-	-	-	-	-	8,261.17
Previous Year	-	6,769.37	-	-	-	-	-	6,769.37

Godrej Projects Development Limited

Notes forming part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

37 Related Party Disclosures: (Continued)

II The following transactions were carried out with the related parties in the ordinary course of business. (Continued)

(i) Details relating to parties referred to in items 1 (i), (ii), (iii), (iv), (v) and (vi) above (Continued)

Nature of Transaction	Ultimate Holding Company (GIL) (i)	Godrej Properties Limited (i)	Subsidiary Companies and LLP (ii) & (iii)	Joint Ventures (iv)	Annamudi Real Estates LLP (v)	Other Related Parties in Godrej Group (v)	Key Management Personnel (vi)	Total
Expenses charged by other company								
Current year	7.32	5,066.21	-	-	331.86	230.47	-	5,635.86
Previous Year	2.34	3,964.30	-	-	331.86	235.33	-	4,533.83
Expenses charged to other company								
Current year	-	390.78	242.01	444.70	-	313.67	-	1,391.17
Previous Year	-	445.28	37.39	472.50	-	200.00	-	1,155.17
Income received from other Entity								
Current year	-	-	67.75	-	-	-	-	67.75
Previous Year	-	-	78.04	-	-	-	-	78.04
Interest on Debentures								
Current year	-	-	12.19	1,694.22	-	-	-	1,706.42
Previous Year	-	-	-	2,012.00	-	-	-	2,012.00
Interest on Loans								
Current year	-	-	8.99	2,162.54	-	-	-	2,171.53
Previous Year	-	-	-	2,015.87	-	-	-	2,015.87
Share of loss in LLPs								
Current year	-	-	(134.76)	(178.01)	-	-	-	(312.77)
Previous Year	-	-	-	756.52	-	-	-	756.52
Sitting Fees								
Current year	-	-	-	-	-	-	6.00	6.00
Previous Year	-	-	-	-	-	-	6.10	6.10

Balance Outstanding as at March 31, 2019	Ultimate Holding Company (GIL) (i)	Godrej Properties Limited (i)	Subsidiary Companies and LLP (ii) & (iii)	Joint Ventures (iv)	Annamudi Real Estates LLP (v)	Other Related Parties in Godrej Group (v)	Key Management Personnel (vi)	Total
Receivables								
As at March 31, 2020	-	-	263.13	38,004.79	165.93	159.52	-	38,593.37
As at March 31, 2019	-	-	580.97	11,408.28	-	109.80	-	12,099.05
Share of loss in LLPs								
As at March 31, 2020	-	-	139.76	1,086.71	-	-	-	1,226.47
As at March 31, 2019	-	-	5.00	908.70	-	-	-	913.70
Payables								
As at March 31, 2020	1.31	1,31,717.51	-	-	-	124.54	-	1,31,843.36
As at March 31, 2019	0.27	84,408.11	-	-	165.93	276.43	-	84,850.74
Commitments / Bank Guarantee Outstanding								
As at March 31, 2020	-	1,075.85	-	-	-	-	-	1,075.85
As at March 31, 2019	-	636.05	-	-	-	-	-	636.05
Investment in Capital account								
As at March 31, 2020	-	-	0.70	6.11	-	-	-	6.81
As at March 31, 2019	-	-	0.80	6.01	-	-	-	6.80
Investment in Equity/Preference shares								
As at March 31, 2020	-	-	4,277.41	10,265.34	-	-	-	14,542.75
As at March 31, 2019	-	-	4,277.41	1,770.06	-	-	-	6,047.47
Investment in debentures								
As at March 31, 2020	-	-	-	14,614.21	-	-	-	14,614.21
As at March 31, 2019	-	-	3,106.57	13,703.45	-	-	-	16,810.02

* Includes Interest payable converted into Loan

Includes Interest receivable converted into Loan

Godrej Projects Development Limited

Notes forming part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

38 Disclosure pursuant to Section 186 of the Companies Act, 2013:

Sr.No	Nature of Transaction (loans given/ investment made/ guarantee given/ security provided)	Purpose for which the loan/ guarantee/ security is proposed to be utilised by the recipient	Balance as at		Movement during the Year	Maximum outstanding during the year	
			March 31, 2020	March 31, 2019		March 31, 2020	March 31, 2019
1	Loans and Advances						
	Godrej Project Developers & Properties LLP	Working Capital	208.72	58.61	150.11	363.35	58.61
	Godrej Projects (Bluejay) LLP	Working Capital	0.77	0.73	0.04	0.77	0.73
	Godrej Residency Private Limited	Working Capital	3.87	1.53	2.34	3.87	1.53
	Godrej Green Properties LLP	Working Capital	1.51	0.80	0.70	1.51	0.80
	Godrej Skyview LLP	Working Capital	1.81	0.88	0.93	1.81	0.88
	Suncity Infrastructures (Mumbai) LLP	Working Capital	1,778.52	4.00	1,774.52	2,199.52	4.00
	Godrej Skyline Developers Private Limited	Working Capital	-	-	-	-	2,386.13
	Godrej Vestamark LLP	Working Capital	30,301.27	-	30,301.27	31,913.40	-
	Godrej Reserve LLP (formerly known as Sai Srushti Onehub Projects LLP)	Working Capital	2,437.06	7,588.54	(5,151.47)	9,193.69	18,258.78
2	Investments in Subsidiaries and Joint Ventures						Refer Note 4 and 5

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

39 Contingent Liabilities and Commitments

a) Contingent Liabilities

Particulars	March 31, 2020	March 31, 2019
I) Claims against Company not Acknowledged as debts:		
i) Claims not acknowledged as debts represent cases filed by parties in the Consumer forum, Civil Court and High Court and disputed by the Company as advised by our advocates. In the opinion of the management the claims are not sustainable	13,802.59	11,208.73
ii) Claims under Income Tax Act, Appeal preferred to The Deputy Commissioner/ Commissioner of Income Tax (Appeals)	1,204.73	1,258.59
iii) Appeal preferred to Customs, Excise and Service Tax Appellate tribunal	9,428.29	-
II) Guarantees:		
i) Guarantees given by Bank, counter guaranteed by the Company	20.00	637.05

- b) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

In view of the management, the liability for the period from date of the SC order to 31 March 2019 is not significant and has been provided in the books of account. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts.

c) Commitments

- | (i) Particulars | March 31, 2020 | March 31, 2019 |
|---------------------|----------------|----------------|
| Capital Commitments | - | 34.02 |
- (ii) The Company enters into construction contracts for Civil, Elevator, External Development, MEP work etc. with its vendors. The total amount payable under such contracts will be based on actual measurements and negotiated rates, which are determinable as and when the work under the said contracts are completed.
- (iii) The Company has entered into development agreements with owners of land for development of projects. Under the agreements the Company is required to pay certain payments/ deposits to the owners of the land and share in built up area/ revenue from such developments in exchange of undivided share in land as stipulated under the agreements.

40 Payment to Auditors (net of taxes)

Particulars	March 31, 2020	March 31, 2019
Audit Fees	24.99	25.25
Audit Under Other Statutes	0.59	-
Certification	0.91	0.63
Reimbursement of Expenses	-	0.98
Total	26.49	26.86

41 Foreign Exchange Difference

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

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

42 Corporate Social Responsibility

The Company has spent INR Nil Lakhs during the financial year (Previous Year: INR Nil 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 Nil Lakhs (Previous Year: Nil lakhs)
- (b) Amount spent during the year on :

Particulars	Amount Spent in Cash	Amount yet to be paid in Cash	Total Amount
Year ended March 31, 2020			
(i) Construction / Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	-	-	-
Year ended March 31, 2019			
(i) Construction / Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	-	-	-

43 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 segments namely, Development of real estate property. The Director of the Company acts as the Chief Operating Decision maker ("CODM"). The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

B. Geographical Information

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

C. Information about major customers

Revenue from major customers for the year ended March 31, 2020 was INR 8,961.57 Lakhs and March 31, 2019 was INR 51,972.70 Lakhs constituted 10% or more of the total revenue of the Company.

44 The write-down of inventories to net realisable value during the year amounted to INR 489.48 Crore (Previous Year: INR (750.74).

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

46 Micro, Small and Medium enterprises :

Particulars	March 31, 2020	March 31, 2019
(a) The principal amount remaining unpaid to any supplier as at the end of the accounting year	69.54	32.06
(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

Godrej Projects Development Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

46 Micro, Small and Medium enterprises: (*Continued*)

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, 2020 and March 31, 2019 to Micro, Small and Medium Enterprises on account of principal or interest.

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

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 Projects Development Limited

CIN: U70102MH2010PLC210227

Mansi Pardiwalla

Partner

Membership No: 108511

Mumbai

May 08, 2020

Rajib Das

Director

DIN: 07619463

Mumbai

May 08, 2020

Rabi Kant Sharma

Director

DIN: 06942339