

B S R & Co. LLP

Chartered Accountants

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Independent Auditor's Report

To the Members of Godrej Green Woods Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Godrej Green Woods Private Limited (the "Company") which comprise the balance sheet as at 31 March 2023, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Management's and Board of Directors Responsibilities for the Financial Statements

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

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related

Registered Office:

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14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Independent Auditor's Report (Continued)

Godrej Green Woods Private Limited

to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Independent Auditor's Report (Continued)

Godrej Green Woods Private Limited

2 A. As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company does not have any pending litigations which would impact its financial position.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d (i) The management has represented that, to the best of its knowledge and belief, and as disclosed in the Note 27A to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 27B to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

Independent Auditor's Report (Continued)

Godrej Green Woods Private Limited

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

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

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

Chartered Accountants

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

Mansi Pardiwalla

Partner

Place: Mumbai

Membership No.: 108511

Date: 02 May 2023

ICAI UDIN:23108511BGYYFT6017

Annexure A to the Independent Auditor's Report on the Financial Statements of Godrej Green Woods Private Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company neither owns any intangible assets nor has purchased any intangible assets during the period.

Accordingly, paragraphs 3 (i) (a) (B) of the Order is not applicable to the Company.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies/discrepancy were/was noticed on such verification.

(c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company's inventory includes construction work in progress. Accordingly, the requirements under paragraph 3(ii) of the Order are not applicable for construction work in progress.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the for the activities carried out by the Company. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and

Annexure A to the Independent Auditor's Report on the Financial Statements of Godrej Green Woods Private Limited for the year ended 31 March 2023 (Continued)

Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Income-Tax or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Income-Tax or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Income-Tax or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under Companies Act, 2013), as company does not have any subsidiaries, associates or joint ventures.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

Annexure A to the Independent Auditor's Report on the Financial Statements of Godrej Green Woods Private Limited for the year ended 31 March 2023 (Continued)

- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Based on the information and explanations provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per the Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
 - (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
 - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
 - (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC.
- (xvii) The Company has incurred cash loss of Rs. 535.79 Lakhs in the current financial year and cash losses of Rs. 435.11 Lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the

B S R & Co. LLP

**Annexure A to the Independent Auditor's Report on the Financial Statements
of Godrej Green Woods Private Limited for the year ended 31 March 2023
(Continued)**

Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Chartered Accountants

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

Mansi Pardiwalla

Partner

Place: Mumbai

Date: 02 May 2023

Membership No.: 108511

ICAI UDIN:23108511BGYYFT6017

Annexure B to the Independent Auditor's Report on the financial statements of Godrej Green Woods Private Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Godrej Green Woods Private Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

**Annexure B to the Independent Auditor's Report on the financial statements of Godrej Green Woods Private Limited for the year ended 31 March 2023
(Continued)**

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

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

Chartered Accountants

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

Mansi Pardiwalla

Partner

Place: Mumbai

Membership No.: 108511

Date: 02 May 2023

ICAI UDIN:23108511BGYYFT6017

Godrej Green Woods Private Limited

Balance Sheet

as at March 31, 2023

(Currency in INR Lakhs)

| Particulars | Note | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------------------------------------------------------------|------|----------------------|----------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 2 | 28.38 | 26.15 |
| Income Tax Assets (Net) | | - | 1.08 |
| Total Non-Current Assets | | 28.38 | 27.23 |
| Current Assets | | | |
| Inventories | 3 | 1,92,983.29 | 1,73,189.68 |
| Financial Assets | | | |
| Cash and Cash Equivalents | 4 | 0.62 | 1.29 |
| Other Current Financial Assets | 5 | 1.50 | 1.50 |
| Other Current Non Financial Assets | 6 | 78.28 | 204.18 |
| Total Current Assets | | 1,93,063.69 | 1,73,396.65 |
| TOTAL ASSETS | | 1,93,092.07 | 1,73,423.88 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Equity Share Capital | 7 | 6,400.00 | 6,400.00 |
| Other Equity | | (1,413.11) | (852.20) |
| Total Equity | | 4,986.89 | 5,547.80 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | 8 | 56,473.49 | 49,048.40 |
| Trade Payables | 9 | | |
| total outstanding dues of micro enterprises and small enterprises (refer note 24) | | 584.05 | 607.68 |
| total outstanding dues of creditors other than micro enterprises and small enterprises | | 1,09,053.72 | 1,09,267.74 |
| Other Current Financial Liabilities | 10 | 21,944.62 | 8,898.22 |
| Other Current Non Financial Liabilities | 11 | 49.30 | 54.04 |
| Total Current Liabilities | | 1,88,105.18 | 1,67,876.08 |
| TOTAL EQUITY AND LIABILITIES | | 1,93,092.07 | 1,73,423.88 |

Significant Accounting Policies

1

The accompanying notes 1 to 29 form an integral part of these Financial Statements.

As per our report of even date.

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

Chartered Accountants

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

For and on behalf of the Board of Directors of

Godrej Green Woods Private Limited

CIN: U45309MH2020PTC340019

GEETIKA TREHAN

Director

DIN: 08309875

Gurugram

ANUJ SHANDILYA

Director

DIN: 09704810

Gurugram

MANSI PARDIWALLA

Partner

Membership No: 108511

ASHISH SUDHAKAR KARYEKAR

Company Secretary

ICSI Memb. No-ACS11331

SUSHIL KUMAR

Chief Financial Officer

Mumbai

May 02, 2023

Mumbai

May 02, 2023

Gurugram

May 02, 2023

Godrej Green Woods Private Limited

Statement of Profit and Loss

For the year ended March 31, 2023

(Currency in INR Lakhs)

| Particulars | Note | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--------------------------------------------------------------------|------|--------------------------------------|--------------------------------------|
| INCOME | | | |
| Other Income | 12 | 0.04 | - |
| Total Income | | 0.04 | - |
| EXPENSES | | | |
| Cost of Materials Consumed | 13 | 19,793.61 | 21,056.43 |
| Change in inventories of construction work-in-progress | 14 | (19,793.61) | (21,056.43) |
| Finance Costs | 15 | 86.53 | 0.09 |
| Depreciation Expense | 16 | 25.12 | 18.57 |
| Other Expenses | 17 | 449.30 | 435.02 |
| Total Expenses | | 560.95 | 453.68 |
| (Loss) before Tax | | (560.91) | (453.68) |
| Tax Expense | | | |
| Current Tax | | - | - |
| Deferred Tax (Credit) | | - | - |
| Total Tax Expense | | - | - |
| (Loss) for the year | | (560.91) | (453.68) |
| Other Comprehensive Income | | | |
| Items that will not be subsequently reclassified to profit or loss | | - | - |
| Other Comprehensive Income for the Year (Net of Tax) | | - | - |
| Total Comprehensive Income for the Year | | (560.91) | (453.68) |
| Earnings Per Share (Amount in INR) | | | |
| Basic | 18 | (0.88) | (0.71) |
| Diluted | 18 | (0.88) | (0.71) |

Significant Accounting Policies

1

The accompanying notes 1 to 29 form an integral part of these Financial Statements.

As per our report of even date.

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

Chartered Accountants

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

For and on behalf of the Board of Directors of

Godrej Green Woods Private Limited

CIN: U45309MH2020PTC340019

GEETIKA TREHAN

Director

DIN: 08309875

Gurugram

ANUJ SHANDILYA

Director

DIN: 09704810

Gurugram

MANSI PARDIWALLA

Partner

Membership No: 108511

ASHISH SUDHAKAR KARYEKAR

Company Secretary

ICSI Memb. No-ACS11331

SUSHIL KUMAR

Chief Financial Officer

Mumbai

May 02, 2023

Mumbai

May 02, 2023

Gurugram

May 02, 2023

Godrej Green Woods Private Limited

Statement of Cash Flows

For the year ended March 31, 2023

(Currency in INR Lakhs)

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---------------------------------------------------------------|--------------------------------------|--------------------------------------|
| Cash Flow from Operating Activities | | |
| (Loss) before Tax | (560.91) | (453.68) |
| Adjustments for: | | |
| Depreciation expenses | 25.12 | 18.57 |
| Finance costs | 86.53 | 0.09 |
| Interest income | (0.04) | - |
| Operating (loss) before working capital changes | (449.30) | (435.02) |
| Changes in Working Capital: | | |
| (Decrease) in Non Financial Liabilities | (4.74) | (1.08) |
| Increase in Financial Liabilities | (326.05) | (4,273.10) |
| (Increase) in Inventories | (3,087.60) | (18,592.26) |
| Increase/(Decrease) in Non Financial Assets | 125.90 | (68.40) |
| | (3,292.49) | (22,934.85) |
| Direct Taxes Paid (net) | 1.08 | (1.08) |
| Net cash flows (used in) operating activities | (3,740.71) | (23,370.95) |
| Cash Flow from Investing Activities | | |
| Acquisition of property, plant and equipments | (27.35) | (19.79) |
| Interest Received | 0.04 | - |
| Net cash flows (used in) investing activities | (27.31) | (19.79) |
| Cash Flow from financing activities | | |
| Proceeds from short-term borrowings (net) | 4,151.57 | 23,391.97 |
| Interest paid | (384.22) | - |
| Net cash flows generated from financing activities | 3,767.35 | 23,391.97 |
| Net (Decrease) / Increase in Cash and Cash Equivalents | (0.67) | 1.23 |
| Cash and Cash Equivalents - Opening Balance | 1.29 | 0.06 |
| Cash and Cash Equivalents - Closing Balance | 0.62 | 1.29 |

Godrej Green Woods Private Limited

Statement of Cash Flows (Continued)

For the year ended March 31, 2023

(Currency in INR Lakhs)

Notes :

(a) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) -7 "Statement of Cash Flows".

(b) Reconciliation of Cash and Cash Equivalents as per the Statement of Cash Flows.
Cash and Cash Equivalents as per the above comprise of the following:

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|-----------------------------------------------------------------|--------------------------------------|--------------------------------------|
| Cash and Cash Equivalents (refer Note 4) | 0.62 | 1.29 |
| Cash and Cash Equivalents as per Statement of Cash Flows | 0.62 | 1.29 |

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

| Reconciliation of liabilities arising from financing activities | | | | | |
|-----------------------------------------------------------------|----------------------------|------------------------------------------|-------------|----------------------------------------------------------------------|----------------------|
| Particular | As at March 31, 2022 | Changes in Statement of Cash Flows | Acquisition | Non Cash Changes Other Non Cash Movement (Interest Accrued) | As at March 31, 2023 |
| Short-term borrowings | 49,048.40 | 4,151.57 | - | 3,273.52 | 56,473.49 |

| Reconciliation of liabilities arising from financing activities | | | | | |
|-----------------------------------------------------------------|----------------------------|------------------------------------------|-------------|----------------------------------------------------------------------|----------------------|
| Particular | As at March 31, 2021 | Changes in Statement of Cash Flows | Acquisition | Non Cash Changes Other Non Cash Movement (Interest Accrued) | As at March 31, 2022 |
| Short-term borrowings | 23,186.21 | 23,391.97 | - | 2,470.22 | 49,048.40 |

The accompanying notes 1 to 29 form an integral part of these Financial Statements.

As per our report of even date.

For B S R & Co. LLP

Chartered Accountants

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

For and on behalf of the Board of Directors of

Godrej Green Woods Private Limited

CIN: U45309MH2020PTC340019

GEETIKA TREHAN

Director

DIN: 08309875

Gurugram

ANUJ SHANDILYA

Director

DIN: 09704810

Gurugram

MANSI PARDIWALLA

Partner

Membership No: 108511

Mumbai

May 02, 2023

ASHISH SUDHAKAR KARYEKAR

Company Secretary

ICSI Memb. No-ACS11331

Mumbai

May 02, 2023

SUSHIL KUMAR

Chief Financial Officer

Gurugram

May 02, 2023

Godrej Green Woods Private Limited

Statement of Changes in Equity

For the year ended March 31, 2023

(Currency in INR Lakhs)

a) Equity Share Capital

| Particulars | As At March 31, 2023 | As At March 31, 2022 |
|-------------------------------------------------|-------------------------|-------------------------|
| Balance at the beginning of the year | 6,400.00 | 6,400.00 |
| Changes in equity share capital during the year | - | |
| Balance at the end of the year | 6,400.00 | 6,400.00 |

b) Other Equity

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

| Particulars | Reserve and Surplus Retained Earnings (refer Note (a) below) | Total |
|------------------------------|--------------------------------------------------------------------|------------|
| Balance as at Apr 01, 2022 | (852.20) | (852.20) |
| Total Comprehensive Income: | | |
| i) Loss for the year | (560.91) | (560.91) |
| Balance as at March 31, 2023 | (1,413.11) | (1,413.11) |

(a) Retained Earnings

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

The accompanying notes 1 to 29 form an integral part of these Financial Statements.

As per our report of even date.

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Godrej Green Woods Private Limited
CIN: U45309MH2020PTC340019

GEETIKA TREHAN
Director
DIN: 08309875
Gurugram

ANUJ SHANDILYA
Director
DIN: 09704810
Gurugram

MANSI PARDIWALLA
Partner
Membership No: 108511

ASHISH SUDHAKAR KARYEKAR
Company Secretary
ICSI Memb. No-ACS11331

SUSHIL KUMAR
Chief Financial Officer

Mumbai
May 02, 2023

Mumbai
May 02, 2023

Gurugram
May 02, 2023

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements

for the year ended March 31, 2023

Note 1

I. Company Overview

Godrej Green Woods Private Limited (“the Company”) having CIN: U45309MH2020PTC340019 is engaged primarily in the business of real estate construction, development and other related activities. The Company is domiciled in India having its registered office at Godrej One, 5th Floor, Pirojshahnagar, Eastern Express Highway, Vikhroli, Mumbai- 400079.

II. Basis of preparation and measurement

a) Statement of compliance

These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (“the Act”) and the relevant provisions and amendments, as applicable.

These financial statements of the Company for the year ended March 31, 2023 were authorized for issue by the Company’s Board of Directors on May 02, 2023.

b) Functional and Presentation Currency

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

c) Basis of measurement

These financial statements have been prepared on historical cost basis except certain financial instruments measured at fair value.

d) Use of Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires the use of estimates, judgements and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

Godrej Green Woods Private Limited

Notes forming part of financial statements (*Continued*) for the year ended March 31, 2023

Note 1 (*Continued*)

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

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

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

- *Evaluation of satisfaction of performance obligation for the purpose of revenue recognition*

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

- *Evaluation of Net Realizable Value of Inventories*

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

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

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

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

- *Fair value measurement of financial instruments*

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

- *Recognition of deferred tax asset*

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

Godrej Green Woods Private Limited

Notes forming part of financial statements (*Continued*) for the year ended March 31, 2023

Note 1 (*Continued*)

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

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

- *Provisions and contingencies*

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

e) Standard issued but not yet effective

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2022.

f) Measurement of fair values

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

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

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

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

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

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

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

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

g) Operating cycle

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

Godrej Green Woods Private Limited

Notes forming part of financial statements *(Continued)* for the year ended March 31, 2023

Note 1 *(Continued)*

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

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

h) Going Concern

The Company has been incorporated to develop a residential project on land admeasuring area 1,07,710 sq. mtrs. in Ashok Vihar, Delhi which is estimated to be launched in next financial year. Based on the future business plans for the Company, the management believe that the Company will continue to operate as a going concern for the foreseeable future, realize its assets and meet all its liabilities as they fall due for payment, in the normal course of business. In case of any fund requirement for development or continuing operation of company, shareholders shall arrange/fund in form of Equity/Loan.

III. Significant Accounting Policies

a) Property, plant and equipment and depreciation

(i) Recognition and Measurement:

Items of property, plant and equipment, other than Freehold Land, are measured at cost less accumulated depreciation and impairment losses, if any. Freehold Land is carried at cost and is not depreciated. The cost of an item of property, plant and equipment comprises:

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

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

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

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

Godrej Green Woods Private Limited

Notes forming part of financial statements (*Continued*) for the year ended March 31, 2023

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

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

(ii) *Subsequent expenditure*

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

(iii) *Depreciation*

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

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

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

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

b) Intangible assets and amortization

i) *Recognition and measurement:*

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

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

ii) *Subsequent expenditure*

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

iii) *Amortization*

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

Intangible assets are amortized over a period of six years.

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

Godrej Green Woods Private Limited

Notes forming part of financial statements *(Continued)* for the year ended March 31, 2023

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

c) Impairment of non-financial assets

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

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

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

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

d) Foreign currency transactions

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

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

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

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

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

Godrej Green Woods Private Limited

Notes forming part of financial statements (*Continued*) for the year ended March 31, 2023

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

e) Financial instruments

I. Financial assets

Classification

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

Initial recognition and measurement

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

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

Subsequent measurement

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

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

Debt instruments at amortized cost

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

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

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

Godrej Green Woods Private Limited

Notes forming part of financial statements (*Continued*) for the year ended March 31, 2023

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

e) Financial instruments (*Continued*)

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

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

Debt instruments at Fair Value through Profit or Loss

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

Derecognition

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

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

Impairment of financial assets

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

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

I. Financial Assets

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

II. Financial Liabilities

Classification

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

Godrej Green Woods Private Limited

Notes forming part of financial statements (*Continued*) for the year ended March 31, 2023

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

e) Financial instruments (*Continued*)

Initial recognition and measurement

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

Loans and borrowings

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

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

This category generally applies to loans and borrowings.

Derecognition

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

III Offsetting of financial instruments

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

IV. Share Capital

Ordinary equity shares

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

Godrej Green Woods Private Limited

Notes forming part of financial statements *(Continued)* for the year ended March 31, 2023

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

f) Inventories

Inventories are valued as under:

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

Cost is determined based on a weighted average basis.

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

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

g) Revenue Recognition

Sale of Real Estate Development

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

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

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

Godrej Green Woods Private Limited

Notes forming part of financial statements (*Continued*) for the year ended March 31, 2023

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

g) Revenue Recognition (*Continued*)

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

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

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

Interest income

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

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

h) Income tax

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

Current tax

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

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

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

Deferred tax

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

Godrej Green Woods Private Limited

Notes forming part of financial statements (*Continued*) for the year ended March 31, 2023

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

h) Income Tax/ (*Continued*)

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

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

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

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

Deferred tax assets and liabilities are offset only if:

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

Minimum Alternative Tax (MAT)

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

Section 115BAA

A new Section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section.

There is no taxable gain/ (loss) in the current year ended 31 March 2023 and previous year ended 31 March 2022. Further, the business losses of the Company for the current year ended 31 March 2023 and the previous year ended 31 March 2022 are not eligible for recognizing deferred tax assets. Therefore, there are no temporary differences on which deferred tax assets need to be created as at 31 March 2023 and 31 March 2022.

Godrej Green Woods Private Limited

Notes forming part of financial statements *(Continued)* for the year ended March 31, 2023

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

i) Borrowing Costs

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs, pertaining to development of long term projects, are transferred to Construction work-in-progress, as part of the cost of the projects upto the time all the activities necessary to prepare these projects for its intended use or sale are complete. All other borrowing costs are recognized as an expense in the year which they are incurred.

j) Cash and Cash Equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

k) Earnings per share

The Basic earnings per share is computed by dividing the profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax attributable to the equity shareholders as adjusted interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. If potential equity shares converted into equity shares increases the earnings per share, then they are treated as anti-dilutive and anti-dilutive earning per share is computed.

l) Provisions and contingent liabilities

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

Godrej Green Woods Private Limited

Notes forming part of financial statements *(Continued)*

for the year ended March 31, 2023

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

l) Provisions and contingent liabilities *(Continued)*

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

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

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

m) Events after reporting date/ Subsequent Events

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.

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

n) Segment reporting

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

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2023

(Currency in INR Lakhs)

2 Property, Plant and Equipment

| Particulars | GROSS BLOCK | | | ACCUMULATED DEPRECIATION | | | | NET BLOCK | | |
|--------------------------------------------|-------------------------|------------------------------|-------------------------------|--------------------------|-------------------------|--------------|------------|-------------------------|-------------------------|-------------------------|
| | As at April 01, 2022 | Additions during the year | Deductions during the year | As at March 31, 2023 | As at April 01, 2022 | For the year | Deductions | As at March 31, 2023 | As at March 31, 2023 | As at March 31, 2022 |
| Tangible Assets | | | | | | | | | | |
| Office Equipments | 4.31 | 0.14 | - | 4.45 | 1.70 | 1.23 | - | 2.93 | 1.52 | 2.61 |
| Site Equipments | 17.68 | 7.35 | - | 25.03 | 7.98 | 6.88 | - | 14.86 | 10.17 | 9.70 |
| Computers | 23.43 | 19.86 | - | 43.29 | 9.59 | 17.01 | - | 26.60 | 16.69 | 13.84 |
| Total Property, Plant and Equipment | 45.42 | 27.35 | - | 72.77 | 19.27 | 25.12 | - | 44.39 | 28.38 | 26.15 |

Movement in Previous Year :

| Particulars | GROSS BLOCK | | | ACCUMULATED DEPRECIATION | | | | NET BLOCK | | |
|--------------------------------------------|-------------------------|------------------------------|-------------------------------|--------------------------|-------------------------|--------------|------------|-------------------------|-------------------------|-------------------------|
| | As at April 01, 2021 | Additions during the year | Deductions during the year | As at March 31, 2022 | As at April 01, 2021 | For the year | Deductions | As at March 31, 2022 | As at March 31, 2022 | As at March 31, 2021 |
| Tangible Assets | | | | | | | | | | |
| Office Equipments | 3.42 | 0.89 | - | 4.31 | 0.05 | 1.65 | - | 1.70 | 2.61 | 3.37 |
| Site Equipments | 17.68 | - | - | 17.68 | 0.02 | 7.96 | - | 7.98 | 9.70 | 17.66 |
| Computers | 4.53 | 18.90 | - | 23.43 | 0.63 | 8.96 | - | 9.59 | 13.84 | 3.90 |
| Total Property, Plant and Equipment | 25.63 | 19.79 | - | 45.42 | 0.70 | 18.57 | - | 19.27 | 26.15 | 24.93 |

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (*Continued*)

as at March 31, 2023

(Currency in INR Lakhs)

| | March 31, 2023 | March 31, 2022 |
|-------------------------------------------------------------------------|--------------------|--------------------|
| 3 Inventories (Valued at lower of Cost and Net Realisable Value) | | |
| Construction Work-in-Progress (refer note 14) | 1,92,983.29 | 1,73,189.68 |
| | <u>1,92,983.29</u> | <u>1,73,189.68</u> |
| 4 Cash and Cash Equivalents | | |
| Cash-On-Hand | 0.01 | 0.04 |
| Balances With Banks | | |
| In Current Accounts | 0.61 | 1.25 |
| | <u>0.62</u> | <u>1.29</u> |
| 5 Other Current Financial Assets | | |
| Unsecured, Considered Good | | |
| <i>To parties other than related parties</i> | | |
| Deposits - Others | 1.50 | 1.50 |
| | <u>1.50</u> | <u>1.50</u> |
| 6 Other Current Non Financial Assets | | |
| Unsecured, Considered Good | | |
| <i>To parties other than related parties</i> | | |
| Advance to Suppliers and Contractors | 78.28 | 204.07 |
| Prepayments | - | 0.11 |
| | <u>78.28</u> | <u>204.18</u> |

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued) as at March 31, 2023

(Currency in INR Lakhs)

| | March 31, 2023 | March 31, 2022 |
|-------------------------------------------------------------------|----------------|----------------|
| 7 Equity Share Capital | | |
| a) Authorised : | | |
| 6,40,00,000 Equity Shares of INR 10/- each | 6,400.00 | 6,400.00 |
| <i>(Previous Year 6,40,00,000 Equity Shares of INR 10/- each)</i> | 6,400.00 | 6,400.00 |
| b) Issued, Subscribed and Fully Paid-Up: | | |
| 6,40,00,000 Equity Shares of INR 10/- each fully paid up | 6,400.00 | 6,400.00 |
| <i>(Previous Year 6,40,00,000 Equity Shares of INR 10/- each)</i> | 6,400.00 | 6,400.00 |

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

| | March 31, 2023 | | March 31, 2022 | |
|------------------------------------------|----------------|----------------|----------------|----------------|
| Equity Shares : | No. of Shares | INR (In Lakhs) | No. of Shares | INR (In Lakhs) |
| Outstanding at the beginning of the year | 6,40,00,000 | 6,400.00 | 6,40,00,000 | 6,400.00 |
| Issued during the year | - | - | - | - |
| Outstanding at the end of the year | 6,40,00,000 | 6,400.00 | 6,40,00,000 | 6,400.00 |

d) Shareholding Information

| | March 31, 2023 | | March 31, 2022 | |
|----------------------------------------------------------------------|----------------|----------------|----------------|----------------|
| Equity shares are held by : | No. of Shares | INR (In Lakhs) | No. of Shares | INR (In Lakhs) |
| Godrej Properties Limited (Holding Company) and Nominee Shareholders | 6,40,00,000 | 6,400.00 | 6,40,00,000 | 6,400.00 |

e) Rights, preferences and restrictions attached to Equity shares

The Company has only one class of equity shares having a par value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

| Particulars | March 31, 2023 | | March 31, 2022 | |
|----------------------------------------------------------------------|----------------|------|----------------|------|
| | No. of Shares | % | No. of Shares | % |
| Equity shares | | | | |
| Godrej Properties Limited (Holding Company) and Nominee Shareholders | 6,40,00,000 | 100% | 6,40,00,000 | 100% |

g) Promoters Shareholding

| Shares held by Promoters as at March 31, 2023 | | | |
|----------------------------------------------------------------------------|---------------|-------------------|--------------------------|
| Promoter Name | No. of Shares | % of total Shares | % change during the year |
| Godrej Properties Limited | 6,39,99,999 | 100.00% | 0.00% |
| Godrej Projects Development Limited (nominee of Godrej Properties Limited) | 1 | 0.00% | 0.00% |

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

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued) as at March 31, 2023

(Currency in INR Lakhs)

8 Borrowings (Current)

| Particulars | March 31, 2023 | March 31, 2022 |
|----------------|------------------|------------------|
| Unsecured Loan | 56,473.49 | 49,048.40 |
| | 56,473.49 | 49,048.40 |

(a) Unsecured Loan is taken from related party bearing interest at the rate of 7% pa (previous year-7% pa) is repayable on demand from surplus cash flows as per the terms of Loan Agreement dated 26th May, 2020 as amended on 07th Oct, 2022

9 Trade Payables

| | March 31, 2023 | March 31, 2022 |
|----------------------------------------------------------------------------------------|--------------------|--------------------|
| Total Outstanding Dues of Micro Enterprises and Small Enterprises | 584.05 | 607.68 |
| Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises | 1,09,053.72 | 1,09,267.74 |
| | 1,09,637.77 | 1,09,875.42 |

(a) Trade Payables ageing schedule as at March 31, 2023

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | Total |
|-----------------------------|--------------------|------------------------------------------------------------|---------------|-------------|-------------------|--------------------|
| | | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| (i) MSME | 9.62 | 194.40 | 380.03 | - | - | 584.05 |
| (ii) Others | 1,02,135.63 | 6,835.22 | 82.87 | - | - | 1,09,053.72 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 1,02,145.25 | 7,029.62 | 462.90 | - | - | 1,09,637.77 |

Trade Payables ageing schedule as at March 31, 2022

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | Total |
|-----------------------------|--------------------|------------------------------------------------------------|-------------|-------------|-------------------|--------------------|
| | | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| (i) MSME | 607.68 | - | - | - | - | 607.68 |
| (ii) Others | 1,08,782.12 | 485.62 | - | - | - | 1,09,267.74 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 1,09,389.80 | 485.62 | - | - | - | 1,09,875.42 |

10 Other Current Financial Liabilities

| | March 31, 2023 | March 31, 2022 |
|-------------------------------------|------------------|-----------------|
| Other Liabilities (Refer (a) below) | 21,944.62 | 8,898.22 |
| | 21,944.62 | 8,898.22 |

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

11 Other Current Non Financial Liabilities

To parties other than related parties

| | | |
|-----------------------------------------------------------------------------|--------------|--------------|
| Statutory Dues (Including Goods & Services Tax and Tax Deducted as Sources) | 49.30 | 54.04 |
| | 49.30 | 54.04 |

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued)

For the year ended March 31, 2023

(Currency in INR Lakhs)

| | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| 12 Other Income | | |
| Interest Income | 0.04 | - |
| | <u>0.04</u> | <u>-</u> |
| 13 Cost of Materials Consumed | | |
| Land Cost | 1.66 | 1.36 |
| Construction, Material and Labour | 256.76 | 3,883.29 |
| Architect Fees | 19.38 | 8.97 |
| Other Costs | 2,811.67 | 1,073.76 |
| Finance Costs | 16,704.14 | 16,089.05 |
| | <u>19,793.61</u> | <u>21,056.43</u> |
| 14 Change in inventories of construction work-in-progress | | |
| Inventories at the beginning of the year | | |
| Construction Work-in-Progress | 1,73,189.68 | 1,52,133.25 |
| | <u>1,73,189.68</u> | <u>1,52,133.25</u> |
| Inventories at the end of the year | | |
| Construction Work-in-Progress | 1,92,983.29 | 1,73,189.68 |
| | <u>1,92,983.29</u> | <u>1,73,189.68</u> |
| | <u>(19,793.61)</u> | <u>(21,056.43)</u> |
| 15 Finance Costs | | |
| Interest Expense | 16,770.18 | 16,043.53 |
| Interest on Income Tax | - | 0.08 |
| Total Interest Expense | <u>16,770.18</u> | <u>16,043.61</u> |
| Other Borrowing costs | 20.49 | 45.53 |
| Total Finance Costs | <u>16,790.67</u> | <u>16,089.14</u> |
| Less : Transferred to construction work-in-progress | <u>(16,704.14)</u> | <u>(16,089.05)</u> |
| Net Finance Costs | <u>86.53</u> | <u>0.09</u> |
| 16 Depreciation Expense | | |
| Depreciation on Property, Plant and Equipment | 25.12 | 18.57 |
| | <u>25.12</u> | <u>18.57</u> |
| 17 Other Expenses | | |
| Consultancy Charges | 26.78 | 23.16 |
| Insurance | - | 0.33 |
| Rates and Taxes | 0.39 | 0.20 |
| Advertisement and Marketing Expenses | 265.88 | 230.32 |
| Payment to Auditors (refer note 23) | 1.30 | 1.30 |
| Business Support Services | 91.99 | 110.41 |
| Other Expenses | 62.96 | 69.30 |
| | <u>449.30</u> | <u>435.02</u> |

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (*Continued*)

For the year ended March 31, 2023

(Currency in INR Lakhs)

18 Earnings Per Share

a) Basic and Diluted Earnings Per Share

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

| | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|----------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| (i) (Loss) attributable to ordinary shareholders (basic and diluted) | | |
| (Loss) for the Year , attributable to ordinary shareholders of the Company | (560.91) | (453.68) |
| | <u>(560.91)</u> | <u>(453.68)</u> |
| (ii) Weighted average number of ordinary shares (basic and diluted) | | |
| Weighted Average number of equity shares at the beginning of the year | 6,40,00,000 | 6,40,00,000 |
| Add: Weighted Average number of equity shares issued during the year | - | - |
| Weighted Average number of Equity Shares at the end of the year | <u>6,40,00,000</u> | <u>6,40,00,000</u> |
| Basic and Diluted Earnings Per Share (INR) (Face Value INR 10 each) | (0.88) | (0.71) |

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued)

For the year ended March 31, 2023

(Currency in INR Lakhs)

19 Financial instruments – Fair values and risk management

Accounting classification and fair values

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

| As at March 31, 2023 | Carrying amount | | Total | Level 1 | Fair value | | Total |
|-------------------------------------|-----------------------------------|----------------|-------------|---------|------------|---------|-------|
| | Fair value through profit or loss | Amortised Cost | | | Level 2 | Level 3 | |
| Financial Assets | | | | | | | |
| Current | | | | | | | |
| Cash and cash equivalents | - | 0.62 | 0.62 | - | - | - | - |
| Other Current Financial Assets | | 1.50 | 1.50 | - | - | - | - |
| | - | 2.12 | 2.12 | - | - | - | - |
| Financial Liabilities | | | | | | | |
| Current | | | | | | | |
| Borrowings | - | 56,473.49 | 56,473.49 | - | - | - | - |
| Trade Payables | - | 1,09,637.77 | 1,09,637.77 | - | - | - | - |
| Other Current Financial Liabilities | - | 21,944.62 | 21,944.62 | - | - | - | - |
| | - | 1,88,055.88 | 1,88,055.88 | - | - | - | - |

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

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (*Continued*)

For the year ended March 31, 2023

(Currency in INR Lakhs)

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

c) Risk Management Framework

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

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

d) Financial risk management

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

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

(i) Credit risk

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

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

Cash and Bank balances

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

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (*Continued*)

For the year ended March 31, 2023

(Currency in INR Lakhs)

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

d) Financial risk management (*Continued*)

(ii) Liquidity risk

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

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

Exposure to liquidity risk

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

| As at March 31, 2023 | Carrying Amount | Contractual cash flows | | | | |
|-------------------------------------|-----------------|------------------------|-----------|-----------|-------------------|---|
| | Total | Within 12 months | 1-2 years | 2-5 years | More than 5 years | |
| Financial Liabilities | | | | | | |
| Current | | | | | | |
| Borrowings | 56,473.49 | 56,473.50 | 56,473.50 | - | - | - |
| Trade Payables | 1,09,637.77 | 1,09,641.87 | 21,285.78 | 13,591.83 | 74,764.26 | - |
| Other Current Financial Liabilities | 21,944.62 | 21,944.62 | 21,944.62 | - | - | - |

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

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

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (*Continued*)

For the year ended March 31, 2023

(Currency in INR Lakhs)

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

d) Financial risk management (*Continued*)

(iii) Market Risk

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

a) Currency Risk

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

b) Interest Rate Risk

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

Exposure to interest rate risk

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

| Particulars | March 31, 2023 | March 31, 2022 |
|------------------------------|------------------|------------------|
| Financial liabilities | | |
| Fixed rate instruments | 56,473.49 | 49,048.40 |
| | <u>56,473.49</u> | <u>49,048.40</u> |
| Financial assets | | |
| Fixed rate instruments | - | - |
| | <u>-</u> | <u>-</u> |

c) Fair value sensitivity analysis for fixed rate instruments

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

20 Capital Management

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

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

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

| Particulars | March 31, 2023 | March 31, 2022 |
|---------------------------------|----------------|----------------|
| Net debt | 56,472.87 | 49,047.11 |
| Total equity | 4,986.89 | 5,547.80 |
| Net debt to Equity ratio | <u>11.32</u> | <u>8.84</u> |

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued)

For the year ended March 31, 2023

(Currency in INR Lakhs)

21 Related Party Disclosure in accordance with IND AS 24 :

I. Relationships:

i) Holding Company

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

ii) Key Management Personnel :

- 1 Ms. Geetika Trehan (Director)
- 2 Mr. Anuj Shandilya (Director)
- 3 Mr. Ashish Sudhakar Karyekar (Company Secretary)

iii) Other Group Companies/LLP's

- 1 Godrej and Boyce Manufacturing Company Limited

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

(i) Details relating to parties referred to in items 1 (i), (ii) & (iii) above

| Particulars | Godrej Properties Limited | Godrej and Boyce Manufacturing Company Limited | Total |
|----------------------------------------------------|----------------------------------|-------------------------------------------------------|--------------|
| Transactions during the Year /Period | | | |
| Borrowings Repaid | | | |
| Current Year | 86.50 | - | 86.50 |
| Previous year | 67.98 | - | 67.98 |
| Borrowings Taken | | | |
| Current Year | 6,708.29 | - | 6,708.29 |
| Previous year | 24,264.24 | - | 24,264.24 |
| Expenses charged by other Companies / Entities | | | |
| Current Year | 522.73 | - | 522.73 |
| Previous year | 473.68 | 11.71 | 485.39 |
| TDS Deducted on Expenses Booked | | | |
| Current Year | 41.92 | - | 41.92 |
| Previous year | 35.74 | 0.47 | 36.21 |
| Expenses Repaid | | | |
| Current Year | 629.91 | - | 629.91 |
| Previous year | 350.38 | 10.91 | 361.29 |
| Bank Guarantee / Performance Guarantee Given | | | |
| Current Year | - | - | - |
| Previous year | 4,630.00 | - | 4,630.00 |
| Bank Guarantee / Performance Guarantee Revoke | | | |
| Current Year | - | - | - |
| Previous year | 4,820.00 | - | 4,820.00 |
| Interest Charged | | | |
| Current Year | 3,637.25 | - | 3,637.25 |
| Previous year | 2,744.69 | - | 2,744.69 |
| TDS Deducted on Interest | | | |
| Current Year | 363.73 | - | 363.73 |
| Previous year | 274.47 | - | 274.47 |
| Particulars | Godrej Properties Limited | Godrej and Boyce Manufacturing Company Limited | Total |
| Balance Outstanding as on Mar 31, 2023 | | | |
| Trade Payables | | | |
| As at March 31, 2023 | 8.51 | 0.33 | 8.84 |
| As at Mar 31, 2022 | 157.61 | 0.33 | 157.94 |
| Interest Outstanding | | | |
| As at March 31, 2023 | 3,273.52 | - | 3,273.52 |
| As at Mar 31, 2022 | 2,470.22 | - | 2,470.22 |
| Borrowings Outstanding | | | |
| As at March 31, 2023 | 53,199.96 | - | 53,199.96 |
| As at Mar 31, 2022 | 46,578.17 | - | 46,578.17 |
| Bank Guarantee / Performance Guarantee Outstanding | | | |
| As at March 31, 2023 | 11,425.00 | - | 11,425.00 |
| As at Mar 31, 2022 | 11,425.00 | - | 11,425.00 |

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

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued)

For the year ended March 31, 2023

(Currency in INR Lakhs)

22 Contingent Liabilities and Commitments

a) Contingent Liabilities

| Matters | March 31, 2023 | March 31, 2022 |
|------------------------------------------------------|----------------|----------------|
| I) Claims against Company not Acknowledged as debts: | NIL | NIL |

b) Commitments

| (i) Particulars | March 31, 2023 | March 31, 2022 |
|-----------------------------------------------------------|----------------|----------------|
| Capital Commitment (includes for CWIP under Construction) | - | 1.02 |

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

23 Payment to Auditors (net of taxes)

| Particulars | March 31, 2023 | March 31, 2022 |
|----------------------|----------------|----------------|
| Statutory Audit Fees | 1.30 | 1.30 |
| Total | 1.30 | 1.30 |

24 Micro, Small and Medium enterprises :

| Particulars | March 31, 2023 | March 31, 2022 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| (a) The principal amount remaining unpaid to any supplier as at the end of the accounting period; | 584.05 | 607.68 |
| (b) The interest due thereon remaining unpaid to any supplier as at the end of the accounting period; | 86.53 | Nil |
| (c) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period | Nil | Nil |
| (d) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year/period) but without adding the interest specified under the MSMED Act, 2006); | Nil | Nil |
| (e) The amount of interest accrued and remaining unpaid at the end of accounting year/period | Nil | Nil |
| (f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23. | Nil | Nil |

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue during the period ended and as at March 31, 2023 to Micro, Small and Medium Enterprises on account of principal or interest.

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

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued)

For the year ended March 31, 2023

25 Segment Reporting

A. Basis of Segmentation

Factors used to identify the entity's reportable segments, including the basis of organisation

For management purposes, the Company has only one reportable segment namely, Development of real estate property. The Board of Directors of the Company acts as the Chief Operating Decision Maker ("CODM"). The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

B. Geographical Information

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

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

27 **A. The Company has not advanced or loan or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:**
 (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 (c) The Company has neither declared nor paid any dividend during the year
C. The company did not have any transactions with Companies Struck off under section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

28 **No transactions are entered during the year to be reported against the following:**

- (i) Crypto Currency or Virtual Currency
- (ii) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- (iii) Registration of charges or satisfaction with Registrar of Companies
- (iv) Relating to borrowed funds:
 - a. Wilful defaulter
 - b. Utilization of borrowed funds & share premium
 - c. Borrowings obtained on the basis of security of current assets
 - d. Discrepancy in utilization of borrowings
 - e. Current maturity of long term borrowings
- (v) Trade receivable ageing schedule
- (vi) Capital work-in progress ageing schedule
- (vii) Merger / amalgamation / reconstruction, etc.

29 Ratio Analysis

| Sr. No. | Ratio | March 31, 2023 | March 31, 2022 | Change % | Reason for more than 25% change |
|---------|----------------------------------|----------------|----------------|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Current Ratio | 1.03 | 1.03 | 0.00% | - |
| 2 | Debt-Equity Ratio (Gross) | 11.32 | 8.84 | 28.05% | Ratio is increased due to Net debt of the entity is increased by Rs. 74 Cr due to fresh borrowings taken for operational expenses and equity is reduced by Rs. 5.6 Cr due to current year losses. |
| 3 | Debt-Equity Ratio (Net) | 11.32 | 8.84 | 28.05% | Ratio is increased due to Net debt is increased by Rs. 74 Cr due to fresh borrowings taken for operational expenses and equity is reduced by Rs. 5.6 Cr due to current year losses. |
| 4 | Debt Service Coverage Ratio | (0.03) | (0.03) | 1.04% | - |
| 5 | Return on Equity Ratio | -10.60% | -7.90% | 34.18% | Ratio is reduced due to Net Loss of the entity is increased by Rs. 1.07 Cr due to expenses on marketing office and MSME interest and fall in average net worth by Rs. 5.07 Cr due to current year losses |
| 6 | Inventory Turnover Ratio | - | - | - | NA |
| 7 | Trade Receivables Turnover Ratio | - | - | - | NA |
| 8 | Trade Payables Turnover Ratio | - | - | - | NA |
| 9 | Net Capital Turnover Ratio | - | - | - | NA |
| 10 | Net Profit Ratio | -1402275.00% | 0.00% | 100.00% | Ratio is changed by 100% as the company is having nominal income of Rs. 0.04 Lakh in current FY as compared to Nil income in previous FY |
| 11 | Return on Capital Employed | -0.82% | -1.08% | 24.50% | NA |
| 12 | Return on Investment | 4.20% | 0.00% | 100.00% | Ratio is changed by 100% as the company is having nominal income of Rs. 0.04 Lakh in current FY as compared to Nil income in previous FY |

Godrej Green Woods Private Limited

Notes Forming Part of Financial Statements (Continued)

For the year ended March 31, 2023

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

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

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Godrej Green Woods Private Limited
CIN: U45309MH2020PTC340019

GEETIKA TREHAN
Director
DIN: 08309875
Gurugram

ANUJ SHANDILYA
Director
DIN: 09704810
Gurugram

MANSI PARDIWALLA
Partner
Membership No: 108511

ASHISH SUDHAKAR KARYEKAR
Company Secretary
ICSI Memb. No-ACS11331

SUSHIL KUMAR
Chief Financial Officer

Mumbai
May 02, 2023

Mumbai
May 02, 2023

Gurugram
May 02, 2023