

Godrej Living Private Limited
Balance Sheet
as at March 31, 2023

(Currency in INR Thousands)

| Particulars | Note | As at March 31, 2023 | As at March 31, 2022 |
|--|------|----------------------|----------------------|
| ASSETS | | | |
| Non Current Assets | | | |
| Income Tax Assets (Net) | | 5,163.29 | - |
| Deferred Tax Assets (Net) | 26 | - | - |
| Total Non-Current Assets | | 5,163.29 | - |
| Current Assets | | | |
| Financial Assets | | | |
| Trade Receivables | 2 | 54,948.83 | - |
| Cash and Cash Equivalents | 3 | 28,931.96 | 10.00 |
| Other Current Non Financial Assets | 4 | 17,230.36 | - |
| Total Current Assets | | 1,01,111.15 | 10.00 |
| TOTAL ASSETS | | 1,06,274.44 | 10.00 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Equity Share Capital | 5 | 10.00 | 10.00 |
| Other Equity | 6 | (52,546.56) | (132.75) |
| Total Equity | | (52,536.56) | (122.75) |
| LIABILITIES | | | |
| Non-Current Liabilities | | | |
| Provisions | 7 | 5,843.18 | - |
| Total Non-Current Liabilities | | 5,843.18 | - |
| Current Liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | 8 | 23,161.43 | - |
| Trade Payables | 9 | | |
| Total outstanding dues of Micro and Small Enterprises | | 47,739.63 | - |
| Total outstanding dues of creditors other than Micro and Small Enterprises | | 46,160.18 | 121.50 |
| Other Current Financial Liabilities | 10 | 20,910.86 | - |
| Other Current Non Financial Liabilities | 11 | 14,546.79 | 11.25 |
| Provisions | 12 | 448.93 | - |
| Total Current Liabilities | | 1,52,967.82 | 132.75 |
| TOTAL EQUITY AND LIABILITIES | | 1,06,274.44 | 10.00 |
| Significant Accounting Policies | 1 | | |

The accompanying notes 1 to 31 form an integral part of the Financial Statements.

As per our Report of even date.

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

For and on behalf of the Board
Godrej Living Private Limited
CIN: U45201MH2022PTC375864

Viren Soni
Partner
Membership no.: 117694
Mumbai
Date: 29th June 2023

Mamta Bhavik Bhakshi
DIRECTOR
DIN: 07323611
Mumbai
Date: 29th June 2023

Hariharan Vilayanur Ananthakrishnan
DIRECTOR
DIN: 09488606
Mumbai
Date: 29th June 2023

Godrej Living Private Limited
Statement of Profit And Loss

for the year ended March 31, 2023

(Currency in INR Thousands)

| Particulars | Note | For the Year Ended March 31, 2023 | For the Period February 1, 2022 to March 31, 2022 |
|---|------|--------------------------------------|--|
| INCOME | | | |
| Revenue from Operations | 13 | 90,613.00 | - |
| Total Income | | 90,613.00 | - |
| EXPENSES | | | |
| Employee Benefits Expense | 14 | 40,939.21 | - |
| Finance Costs | 15 | 274.91 | - |
| Other Expenses | 16 | 1,00,215.49 | 132.75 |
| Total Expenses | | 1,41,429.61 | 132.75 |
| Loss Before Tax | | (50,816.61) | (132.75) |
| Tax Expense | | | |
| Current Tax | | - | - |
| Deferred Tax (Credit)/ Charge | | - | - |
| Total Tax Expenses | | - | - |
| Loss for the Year/Period | | (50,816.61) | (132.75) |
| Other Comprehensive Income | | | |
| Items that will not be subsequently reclassified to profit or loss | | | |
| Remeasurements of the defined benefit plan | | (1,597.20) | |
| Tax on above | | - | |
| Other Comprehensive Income for the year/period (Net of Tax) | | (1,597.20) | - |
| Total Comprehensive Income for the Year/Period | | (52,413.81) | (132.75) |
| Earnings Per Equity Share (Amount in INR) | | | |
| Basic (Face Value of Rs. 10 each) | 17 | (50.82) | (0.13) |
| Diluted (Face Value of Rs. 10 each) | 17 | (50.82) | (0.13) |

Significant Accounting Policies

1

The accompanying notes 1 to 31 form an integral part of the Financial Statements.

As per our Report of even date.

For B S R & Co. LLP

Chartered Accountants

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

For and on behalf of the Board

Godrej Living Private Limited

CIN: U45201MH2022PTC375864

Viren Soni

Partner

Membership no.: 117694

Mumbai

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Hariharan Vilayanur Ananthakrishnan

DIRECTOR

DIN: 09488606

Mumbai

Date: 29th June 2023

Godrej Living Private Limited**Statement of Cash Flows**

For the Year ended March 31, 2023

(Currency in INR Thousands)

| Particulars | For the Year Ended March 31, 2023 | For the Period February 1, 2022 to March 31, 2022 |
|--|--------------------------------------|---|
| Cash Flow from Operating Activities | | |
| (Loss) Before Tax | (50,816.61) | (132.75) |
| Adjustment for: | | |
| Finance Cost | 264.52 | - |
| Operating (loss) before working capital changes | (50,552.09) | (132.75) |
| Changes in Working Capital: | | |
| Increase in Non Financial Liabilities | 19,230.45 | 11.25 |
| Increase in Trade Payable | 93,778.31 | 121.50 |
| Increase in Financial Liabilities | 20,646.34 | - |
| (Increase) in Non Financial Assets | (17,230.36) | - |
| (Increase) in Trade Receivable | (54,948.83) | - |
| | 61,475.91 | - |
| Taxes Paid (net) | (5,163.29) | - |
| Net cash flows generated from/ (used in) operating activities | 5,760.53 | (132.75) |
| Cash Flow from Investing Activities | | |
| Net cash flows generated from investing activities | - | - |
| Cash Flow from financing activities | | |
| Proceeds from Short Term Borrowings | 23,161.43 | - |
| Proceeds from Issue of equity share capital (net of issue expenses) | - | 10.00 |
| Net cash flows generated from financing activities | 23,161.43 | 10.00 |
| Net Increase in Cash and Cash Equivalents | 28,921.96 | (122.75) |
| Cash and Cash Equivalents - Opening Balance | 10.00 | - |
| Cash and Cash Equivalents - Closing Balance | 28,931.96 | 10.00 |

Notes :

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

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

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|-----------------------|-----------------------|
| Cash and Cash Equivalents (refer Note 3) | 28,931.96 | 10.00 |
| Cash and Cash Equivalents as per Statement of Cash Flows | 28,931.96 | 10.00 |

Godrej Living Private Limited

Statement of Cash Flows

For the Year ended March 31, 2023

(Currency in INR Thousands)

Notes (Continued):

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

Reconciliation of liabilities arising from financing activities

| Particular | As at April 01, 2022 | Changes in Statement of Cash Flows | Non Cash Changes | As at March 31, 2023 |
|-----------------------|-------------------------|---------------------------------------|---------------------|-------------------------|
| Short Term Borrowings | - | 23,161.43 | - | 23,161.43 |

Reconciliation of liabilities arising from financing activities

| Particular | As at April 01, 2021 | Changes in Statement of Cash Flows | Non Cash Changes | As at March 31, 2022 |
|-----------------------|-------------------------|---------------------------------------|---------------------|-------------------------|
| Short Term Borrowings | - | - | - | - |

The accompanying notes 1 to 31 form an integral part of the Financial Statements.

As per our report of even date.

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

For and on behalf of the Board
Godrej Living Private Limited
CIN: U45201MH2022PTC375864

Viren Soni
Partner
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Mamta Bhavik Bhakshi
DIRECTOR
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Hariharan Vilayanur Ananthkrishnan
DIRECTOR
DIN: 09488606

Mumbai
Date: 29th June 2023

Mumbai
Date: 29th June 2023

Mumbai
Date: 29th June 2023

Godrej Living Private Limited**Statement of Changes in Equity**
For the year ended March 31, 2023

(Currency in INR Thousands)

a) Equity Share Capital

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Balance at the beginning of the Year | 10.00 | 10.00 |
| Changes in equity share capital during the Year | - | - |
| Balance at the end of the Year | 10.00 | 10.00 |

b) Other Equity

| Particulars | Retained Earnings (refer Note (a) below) | Total |
|-------------------------------------|---|-----------------|
| Balance as at April 01, 2021 | - | - |
| Total Comprehensive Income: | | |
| i) (Loss) for the period | (132.75) | (132.75) |
| Balance as at March 31, 2022 | (132.75) | (132.75) |

| Particulars | Retained Earnings (refer Note (a) below) | Total |
|---|---|--------------------|
| Balance as at April 01, 2022 | (132.75) | (132.75) |
| Total Comprehensive Income: | - | - |
| i) (Loss) for the Year | (50,816.61) | (50,816.61) |
| ii) Re-measurement of defined benefit plans | (1,597.20) | (1,597.20) |
| Balance as at March 31, 2023 | (52,546.56) | (52,546.56) |

(a) Retained Earnings

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

The accompanying notes 1 to 31 form an integral part of the 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 Living Private Limited
CIN: U45201MH2022PTC375864

Viren Soni
Partner
Membership no.: 117694

Mamta Bhavik Bhakshi
Director
DIN: 07323611

Hariharan Vilayanur Ananthakrishnan
Director
DIN: 09488606

Mumbai
Date: 29th June 2023

Mumbai
Date: 29th June 2023

Mumbai
Date: 29th June 2023

Godrej Living Private Limited

Notes forming Part of Financial Statements

for the Year ended March 31, 2023

(Currency in INR Thousands)

Note 1

I Company Overview

Godrej Living Private Limited ("the company") having CIN U45201MH2022PTC375864 is engaged primarily in business of real estate management 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 of measurement

a) Statement of compliance

The financial statements of the company for the year ended 31 March 2023 were authorized for issue in accordance with a resolution of the Board of Directors at its Meeting held on June 29, 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 thousand, 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

considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in

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:

i) 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.

ii) Provisions and contingencies

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

(e) Measurement of fair values

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

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

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

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

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

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

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

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

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

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

Godrej Living Private Limited

Notes forming Part of Financial Statements (Continued)

for the Year ended March 31, 2023

(Currency in INR Thousands)

II Basis of preparation of measurement (Continued)

(e) Measurement of fair values (Continued)

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

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

Level 2: inputs other than quoted prices included in Level I 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, then the fair value measurement is categorised in it the same level of the fair value hierarchy as the lowest level input that is si entire measurement.

(f) Basis of preparation and measurement

i) Operating cycle

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

ii) Going Concern

The Company is engaged in the business of providing maintenance services and facility management services to residential and commercial properties in India. The Company has continued to incur losses and has a loss after tax of Rs. 52413.81 thousand during the current year, and an accumulated loss of Rs. 52546.56 thousand as at 31 March 2023. Also, the Company's current liabilities have exceeded its current assets by INR 51856.66 thousand as at 31 March 2023 and has negative operating cash flows. The future projections of the Company indicate that the Company may not have net positive cash inflows in the coming year. Since the Company is in its initial years of operations and based on the unconditional financial support extended by Godrej Properties Limited, the Parent Company, in the form of equity or debt, the Management believes that the Company will continue to operate as a going concern for the foreseeable future, realise its assets and meet all its liabilities as they fall due for payment, in the normal course of business. Accordingly, these financial statements have been prepared on a going concern basis and do not include any adjustments relating to the recorded assets or liabilities that may be necessary, if the Company is unable to continue as a going concern.

Godrej Living Private Limited

Notes forming Part of Financial Statements (continued)

for the Year ended March 31, 2023

(Currency in INR Thousands)

III Significant Accounting Policies

a) Financial instruments

I. Financial assets

Classification

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

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

Impairment of financial assets

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

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

b) Trade Receivables

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

II) Financial Liabilities

Classification

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

Initial recognition and measurement

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

Loans and borrowings

Godrej Living Private Limited

Notes forming Part of Financial Statements (continued)

for the Year ended March 31, 2023

(Currency in INR Thousands)

III Significant Accounting Policies (Continued)

II) Financial Liabilities (Continued)

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

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

This category generally applies to loans and borrowings.

Derecognition

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

III) Offsetting of financial instruments

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

IV) Share Capital

Ordinary equity shares

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

b) Revenue Recognition

The Company provides Facility management services and receives maintenance amount collected by the Client and utilises the same towards providing CAM maintenance services at respective sites. Revenue is recognised for CAM maintenance at the end of the billing cycle for the month.

The Company also provides pre-possession services and recognises revenue on completion of such service at respective site and on receipt of confirmation of Service completion from Client.

c) Income tax

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

Godrej Living Private Limited

Notes forming Part of Financial Statements (continued)

for the Year ended March 31, 2023

(Currency in INR Thousands)

III Significant Accounting Policies (Continued)

c) Income tax (Continued)

Current tax

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

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

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

Deferred tax

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

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

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

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

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

Deferred tax assets and liabilities are offset only if:

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

Minimum Alternative Tax (MAT)

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

Section 115BAA of Income Tax Act, 1961

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

Godrej Living Private Limited

Notes forming Part of Financial Statements (continued)

for the Year ended March 31, 2023

(Currency in INR Thousands)

III Significant Accounting Policies (Continued)

d) 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

e) 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.

f) Earnings per share

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

g) Provisions, contingent liabilities and contingent assets.

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

Godrej Living Private Limited

Notes forming Part of Financial Statements (continued)

for the Year ended March 31, 2023

(Currency in INR Thousands)

III Significant Accounting Policies (Continued)

g) Provisions, contingent liabilities and contingent assets (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 recognised in the financial statements. However, the same are disclosed in the financial statements where an inflow of economic benefits is probable

h) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted with the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

i) Segment reporting

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

h) Recent pronouncements:

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Godrej Living Private Limited

Notes forming Part of Financial Statements (continued)
for the Year ended March 31, 2023

(Currency in INR Thousands)

Note 2 Trade Receivables

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------|----------------------|----------------------|
| Unsecured, Considered Good | 54,948.84 | - |
| | 54,948.84 | - |

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

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|--|-------------------|-----------------|----------|-----------|-------------------|------------------|
| | Not Due | Less than 6 Month | 6 month - 1year | 1-2 year | 2-3 years | More than 3 years | |
| (i) Undisputed Trade Receivables - Considered Good | 42,173.16 | 12,775.68 | - | - | - | - | 54,948.84 |
| (ii) Undisputed Trade Receivables- which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables- credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed trade receivables- considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables- which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables - credit impaired | - | - | - | - | - | - | - |
| Total | 42,173.16 | 12,775.68 | - | - | - | - | 54,948.84 |

(b) Trade Receivables ageing schedule as at March 31, 2022

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|--|-------------------|------------------|----------|-----------|-------------------|-------|
| | Not Due | Less than 6 Month | 6 month - 1 year | 1-2 year | 2-3 years | More than 3 years | |
| (i) Undisputed Trade Receivables - Considered Good | - | - | - | - | - | - | - |
| (ii) Undisputed Trade Receivables- which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables- credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed trade receivables- considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables- which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables - credit impaired | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - |
| (i) Undisputed Trade Receivables - Considered Good | - | - | - | - | - | - | - |

Note 3 Cash and Cash Equivalents

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------|----------------------|----------------------|
| Balance With Banks | | |
| on Current Accounts | 28,931.96 | 10.00 |
| | 28,931.96 | 10.00 |

Note 4 Other Current Non Financial Assets

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| Advance to Suppliers | 2,192.56 | - |
| Balances with Government Authorities (GST receivables) | 15,037.80 | - |
| | 17,230.36 | - |

Godrej Living Private Limited

Notes forming Part of Financial Statements (continued)
for the Year ended March 31, 2023

(Currency in INR Thousands)

Note 5 Share Capital
Particulars

| | As At March 31, 2023 | As At March 31, 2022 |
|--|-------------------------|-------------------------|
| 2 a) Authorised : | | |
| 1000 Equity Shares of INR 10/- each (Previous Year: 1000 Equity Shares of INR 10/- each) | 10.00 | 10.00 |
| | 10.00 | 10.00 |
| b) Issued, Subscribed & Paid Up: | | |
| 1000 Equity Shares of INR 10/- each (Previous Year: 1000 Equity Shares of INR 10/- each) | 10.00 | 10.00 |
| | 10.00 | 10.00 |

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

| | As at March 31, 2023 | | As at March 31, 2022 | |
|--|----------------------|-------|----------------------|-------|
| Equity Shares : | No. of Shares | INR | No. of Shares | INR |
| Outstanding at the beginning of the year | 1,000 | 10.00 | - | - |
| Issued during the year | - | - | 1,000 | 10.00 |
| Outstanding at the end of the year | 1,000 | 10.00 | 1,000 | 10.00 |

e) Shareholding Information

| | As at March 31, 2023 | | As at March 31, 2022 | |
|--|----------------------|------|----------------------|------|
| Equity Shares are held by: | No. of Shares | INR | No. of Shares | INR |
| Godrej Properties Limited | 990 | 9.90 | 990 | 9.90 |
| Godrej Project Development Limited (Subsidiary of Godrej Properties Limited) | 10 | 0.10 | 10 | 0.10 |

f) 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 share 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 of their shareholding.

g) Shareholders holding more than 5% shares in the company:

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---------------------------|----------------------|-----|----------------------|-----|
| | No. of Shares | % | No. of Shares | % |
| Equity share | | | | |
| Godrej Properties Limited | 990 | 99% | 990 | 99% |

g) Promoters Shareholding

| Shares held by Promoters at the end of March 31, 2023 | | | |
|---|---------------|-------------------|--------------------------|
| Name of Shareholder | No. of Shares | % of total Shares | % Change during the year |
| Godrej Properties Limited (Holding Company) | 990 | 99% | - |
| Shares held by Promoters at the end of March 31, 2022 | | | |
| Name of Shareholder | No. of Shares | % of total Shares | % Change during the year |
| Godrej Properties Limited (Holding Company) | 990 | 99% | - |

Note 6 Other Equity

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|----------------------|----------------------|
| i) Retained Earnings: | | |
| Opening | (132.75) | - |
| Loss for the Year | (50,816.61) | (132.75) |
| Re-measurement of defined benefit plans | (1,597.20) | - |
| Closing | (52,546.56) | (132.75) |

Note 7 Provisions (Non- Current)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|----------------------|----------------------|
| Provision for Employee Benefits (Refer note 25) | | |
| Gratuity | 5,109.23 | - |
| Compensated Absences | 733.96 | - |
| | 5,843.19 | - |

Note 8 Borrowings (Current)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Unsecured Loans | | |
| Loan from Related party (Refer Note (a) below) | 23,161.43 | - |
| | 23,161.43 | - |

(a) Unsecured loan taken from Godrej Properties Limited (Holding Company) bearing interest at the rate of 8% p.a. is repayable on demand. The outstanding interest on borrowings as at year-end is converted into loan as on first day of the next financial year

Godrej Living Private Limited

Notes forming Part of Financial Statements (continued)
for the Year ended March 31, 2023

Godrej Living Private Limited

Notes forming Part of Financial Statements (continued)
for the Year ended March 31, 2023

(Currency in INR Thousands)

Note 9 Trade Payables (Current)

| Particulars | As at March 31,2023 | As at March 31,2022 |
|--|---------------------|---------------------|
| Total outstanding dues of Micro and Small Enterprises (MSME) (Refer note 22) | 47,739.63 | - |
| Total outstanding dues of creditors other than Micro and Small Enterprises | 46,160.18 | 121.50 |
| | 93,899.81 | 121.50 |

(a) Trade Payables aging 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 | 42,351.32 | 5,388.31 | - | - | - | 47,739.63 |
| (ii) Others | 43,779.62 | 2,380.56 | - | - | - | 46,160.18 |
| Total | 86,130.94 | 7,768.87 | - | - | - | 93,899.81 |

(b) Trade Payables aging 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 | - | - | - | - | - | - |
| (ii) Others | 121.50 | - | - | - | - | 121.50 |
| Total | 121.50 | - | - | - | - | 121.50 |

Note 10 Other Current Financial Liabilities

| Particulars | As at March 31,2023 | As at March 31,2022 |
|--------------------------------|---------------------|---------------------|
| Salary payable | 59.96 | - |
| Bonus payables to employees | 20,586.38 | - |
| Interest accrued on borrowings | 264.52 | - |
| | 20,910.86 | - |

Note 11 Other Current Non Financial Liabilities

| Particulars | As at March 31,2023 | As at March 31,2022 |
|----------------|---------------------|---------------------|
| Statutory Dues | 14,546.79 | 11.25 |
| | 14,546.79 | 11.25 |

Note 12 Provisions (Current)

| Particulars | As at March 31,2023 | As at March 31,2022 |
|---|---------------------|---------------------|
| Provision for Employee Benefits (Refer note 25) | | |
| Gratuity | 369.78 | - |
| Compensated Absences | 79.15 | - |
| | 448.93 | - |

Godrej Living Private Limited**Notes forming Part of Financial Statements (continued)**
for the Year ended March 31, 2023

(Currency in INR Thousands)

Note 13 Revenue from Operations

| Particulars | For the Year Ended March 31, 2023 | For the Period February 01, 2022 to March 31, 2022 |
|----------------------------------|--|--|
| Sale of Services (Refer Note 26) | 90,613.00 | - |
| | 90,613.00 | - |

Note 14 Employee Benefits Expense

| Particulars | For the Year Ended March 31, 2023 | For the Period February 01, 2022 to March 31, 2022 |
|---|--|--|
| Salaries, Bonus, Gratuity & Allowances | 37,935.58 | - |
| Contribution to Provident and Other Funds | 2,398.90 | - |
| Other Employee Benefits | 604.73 | - |
| | 40,939.21 | - |

Note 15 Finance Costs

| Particulars | For the Year Ended March 31, 2023 | For the Period February 01, 2022 to March 31, 2022 |
|--------------------------|--|--|
| Interest Expense on Loan | 264.52 | - |
| Interest on MSME | 10.39 | - |
| | 274.91 | - |

Note 16 Other Expenses

| Particulars | For the Year Ended March 31, 2023 | For the Period February 01, 2022 to March 31, 2022 |
|-----------------------------------|--|--|
| Consultancy Charges | 4,893.36 | 73.75 |
| Rates & Taxes | 45.55 | - |
| Advertisement & Marketing Expense | 167.00 | - |
| Audit Fees (Refer Note 21) | 110.00 | - |
| Travelling Expenses | 2,231.20 | - |
| Maintenance Expenses | 56,451.03 | - |
| Business Support services | 27,200.22 | - |
| Other Expenses | 9,117.13 | 59.00 |
| | 1,00,215.49 | 132.75 |

Godrej Living Private Limited

Notes Forming Part of Financial Statements (Continued)

For the Year ending March 31, 2023

(Currency in INR Thousands)

Note 17 Earnings Per Share

a) Basic & Diluted Earnings Per Share

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

| | For the year ended March 31, 2023 | For the period February 01, 2022 to March 31, 2022 |
|--|--|--|
| (i) Loss attributable to ordinary shareholders (basic and diluted) | | |
| (Loss) for the Year/ period , attributable to ordinary shareholders of the Company | (50,816.61) | (132.75) |
| | <u>(50,816.61)</u> | <u>(132.75)</u> |
| (ii) Weighted average number of ordinary shares (basic and diluted) | | |
| Weighted Average number of equity shares at the beginning of the Year | 1,000 | - |
| Add: Weighted Average number of equity shares issued during the Year | - | 1,000 |
| Weighted Average number of Equity Shares at the end of the Year | <u>1,000</u> | <u>1,000</u> |
| Basic and Diluted Earnings Per Share (INR) (Face Value INR 10 each) | (50.82) | (0.13) |

Godrej Living Private Limited

Notes Forming Part of Financial Statements (Continued)

For the Year ending March 31, 2023

(Currency in INR Thousands)

Note 18 Financial instruments – Fair values and risk management

a) Accounting classification and fair values

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

| March 31, 2023 | Fair value through profit or | Carrying amount Fair value through other comprehensive | Amortised Cost | Total | Level 1 | Fair value Level 2 | Level 3 | Total |
|-------------------------------------|------------------------------|--|--------------------|--------------------|---------|-----------------------|---------|-------|
| Financial Assets | | | | | | | | |
| Non-Current | | | | | | | | |
| Other Non-Current Financial Assets | - | - | 5,163.29 | 5,163.29 | - | - | - | - |
| Current | | | | | | | | |
| Trade receivables | - | - | 54,948.83 | 54,948.83 | - | - | - | - |
| Cash and cash equivalents | - | - | 28,931.96 | 28,931.96 | - | - | - | - |
| Other Current Financial Assets | - | - | 17,230.36 | 17,230.36 | - | - | - | - |
| | - | - | 1,06,274.44 | 1,06,274.44 | - | - | - | - |
| Financial Liabilities | | | | | | | | |
| Current | | | | | | | | |
| Borrowings | - | - | 23,161.43 | 23,161.43 | - | - | - | - |
| Trade Payables | - | - | 93,899.81 | 93,899.81 | - | - | - | - |
| Other Current Financial Liabilities | - | - | 14,546.79 | 14,546.79 | - | - | - | - |
| | - | - | 1,31,608.03 | 1,31,608.03 | - | - | - | - |

| March 31, 2022 | Fair value through profit or loss | Carrying amount Fair value through other comprehensive income | Amortised Cost | Total | Level 1 | Fair value Level 2 | Level 3 | Total |
|-------------------------------------|--------------------------------------|---|-------------------|---------------|---------|-----------------------|---------|-------|
| Financial Assets | | | | | | | | |
| Current | | | | | | | | |
| Cash and cash equivalents | - | - | 10.00 | 10.00 | - | - | - | - |
| | - | - | 10.00 | 10.00 | - | - | - | - |
| Financial Liabilities | | | | | | | | |
| Current | | | | | | | | |
| Trade Payables | - | - | 121.50 | 121.50 | - | - | - | - |
| Other Current Financial Liabilities | - | - | 11.25 | 11.25 | - | - | - | - |
| | - | - | 132.75 | 132.75 | - | - | - | - |

b) Measurement of Fair Value

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

Godrej Living Private Limited

Notes Forming Part of Financial Statements (Continued)

For the Year ending March 31, 2023

(Currency in INR Thousands)

Note 18 Financial instruments – Fair values and risk management

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.

Investment in Equity, LLP and Debt Securities

The Company does not have any investments in equity instruments, LLP and preference shares as on 31st March 2023. The settlement of such instruments is linked to the completion of the respective underlying projects. Such Financial Assets are not impaired as on the reporting date.

Cash and Bank balances

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

(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, 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.

For liquidity risk management in relation to current financial liabilities, the Company has financial support from its shareholders. Refer point (II) (f) of Note 1 - Significant Accounting Policy. (Note reference to be given for Going Concern Note mentioned in the Accounting Policy)

The Company does not have any derivative financial liabilities.

Exposure to liquidity risk

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

| As at 31 March 2023 | Carrying Amount | Contractual Cash flows | | | | |
|-------------------------------------|-----------------|------------------------|------------------|-----------|-----------|-------------------|
| | | Total | Within 12 months | 1-2 years | 2-5 years | More than 5 years |
| Financial Liabilities | | | | | | |
| Current | | | | | | |
| Borrowings | 23,161.43 | 23,161.43 | 23,161.43 | - | - | - |
| Trade Payables | 93,899.81 | 93,899.81 | 93,899.81 | - | - | - |
| Other Current Financial Liabilities | 14,546.79 | 14,546.79 | 14,546.79 | - | - | - |
| As at 31 March 2022 | | | | | | |
| Financial Liabilities | | | | | | |
| Current | | | | | | |
| Trade Payables | 121.50 | 121.50 | 121.50 | - | - | - |
| Other Current Financial Liabilities | 11.25 | 11.25 | 11.25 | - | - | - |

Godrej Living Private Limited

Notes Forming Part of Financial Statements (Continued)

For the Year ending March 31, 2023

(Currency in INR Thousands)

(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 | As At March 31, 2023 | As At March 31, 2022 |
|------------------------------|-------------------------|-------------------------|
| Financial Liabilities | | |
| Variable Rate Instruments | - | - |
| Fixed Rate Instruments | 23,161.43 | - |
| | <u>23,161.43</u> | <u>-</u> |
| Financial Assets | | |
| Variable Rate Instruments | - | - |
| 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 for the year.

Note 19 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 sufficient revenue recognition starts it may be negative.

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

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

| Particulars | As At 31 March 2023 | As At 31 March 2022 |
|--------------------------|------------------------|------------------------|
| Net Debt | - | - |
| Total Equity | (52,536.56) | (122.75) |
| Net Debt to Equity Ratio | <u>-</u> | <u>-</u> |

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

for the year ended 31 March, 2023

(Currency in INR Thousands)

Note 20 Contingent Liabilities and Commitments**a) Contingent Liabilities**

| Matters | As At March 31, 2023 | As At March 31, 2022 |
|---|-----------------------------|-----------------------------|
| I) Claims against LLP not acknowledged as debts | - | - |
| II) Guarantees | - | - |
| III) Other Money for which company is contingently liable | - | - |

b) Commitments

| Particulars | As At March 31, 2023 | As At March 31, 2022 |
|------------------------|-----------------------------|-----------------------------|
| i) Capital commitments | - | - |

Note 21 Payment to Auditors

| Particulars | For the Year Ended March 31, 2023 | For the Period February 1, 2022 to March 31, 2022 |
|--------------------|--|--|
| Audit Fees | 110.00 | 50.00 |
| Total | 110.00 | 50.00 |

Note 22 Micro and Small Enterprise

| Particulars | As At March 31, 2023 | As At March 31, 2022 |
|---|-----------------------------|-----------------------------|
| (a) The principal amount remaining unpaid to any supplier as at the end of the accounting year; | 47,739.63 | - |
| (b) The interest due thereon remaining unpaid to any supplier as at the end of the accounting year; | 10.39 | - |
| (c) The amount of interest paid by the buyer under MSME Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| (d) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSME Act, 2006; | - | - |
| (e) The amount of interest accrued and remaining unpaid at the end of accounting year | - | - |
| (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 | - | - |

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.

Godrej Living Private Limited

Notes Forming Part of Financial Statements (Continued)
for the year ended 31 March, 2023

(Currency in INR Thousands)

Note 23 Related Party Disclosures

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

I. Relationships:

I. Shareholders

- a) Godrej Properties Limited holds 99% (Previous Year: 99%) of the Share Capital of the Company.

- a) Godrej Projects Development Limited (GPDL) holds 1% (Previous Year: 1%) of the Share Capital of the Company. GPDL is the subsidiary of Godrej Properties Limited.

II. Key Management Personnel (KMP)

- a) Mrs. Mamta Bhavik Bakshi (Director and CEO)
- b) Mr. Hariharan Vilayanur Ananthakrishnan (Director)

III. Other Related Parties in Godrej Group

- a) Godrej Skyline Developers Pvt Ltd
- b) Godrej Greenview Housing Pvt. Ltd.
- c) Godrej Home Constructions Pvt Ltd
- d) Wonder City Buildcon Pvt. Ltd.
- e) Caroa Properties LLP
- f) Godrej Housing Projects LLP
- g) Godrej Irismark LLP
- h) Mahalunge Township Developers LLP
- i) Oxford Realty LLP
- j) Oasis Landmarks LLP

Godrej Living Private Limited

Notes Forming Part of Financial Statements (Continued)
for the year ended 31 March, 2023

(Currency in INR Thousands)

Note 23 Related Party Disclosures

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

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

| Particulars | For the Year ended March 31, 2023 | For the Period February 01, 2022 to March 31, 2022 |
|--|--------------------------------------|---|
| <u>Transaction During the Year</u> | | |
| Sale of service | | |
| Godrej Properties Limited | 21,536.19 | - |
| Godrej Skyline Developers Pvt Ltd | 1,773.50 | - |
| Wonder City Buildcon Pvt Ltd | 19,476.48 | - |
| Oxford Realty LLP | 1,146.82 | - |
| Caroa Properties LLP | 10,240.07 | - |
| Oasis Landmarks LLP | 16,190.94 | - |
| Godrej Housing Projects LLP | 313.65 | - |
| Godrej Home Constructions Pvt Ltd | 586.00 | - |
| Mahalunge Township Developers LLP | 6,671.28 | - |
| Godrej Greenview Housing | 9,422.07 | - |
| A R Landcraft LLP | 1,804.50 | - |
| Godrej Irismark LLP | 1,452.79 | - |
| Remuneration | | |
| Mamta Bakshi (Director) | 3,657.01 | - |
| Expenses charged by other Companies | | |
| Amount paid on transfer of Employee (Net) | | |
| Godrej Properties Limited | 35,509.46 | - |
| Loans Taken | | |
| Godrej Properties Limited | 23,161.43 | - |
| Interest accrued | | |
| Godrej Properties Limited | 274.91 | - |
| <u>Balance Outstanding</u> | | |
| | As At 31st March 2023 | As At 31st March 2022 |
| Amount Payables | | |
| Godrej Properties Limited | 35,509.46 | - |
| Amount Receivable | | |
| Godrej Properties Limited | 13,801.10 | - |
| Godrej Skyline Developers Pvt Ltd | 324.50 | - |
| Wonder City Buildcon Pvt Ltd | 13,702.13 | - |
| Oxford Realty LLP | 1,353.25 | - |
| Caroa Properties LLP | 4,887.90 | - |
| Oasis Landmarks LLP | 11,006.16 | - |
| Godrej Housing Projects LLP | 40.12 | - |
| Godrej Home Constructions Pvt Ltd | 270.22 | - |
| Mahalunge Township Developers LLP | 3,142.67 | - |
| Godrej Greenview Housing | 5,596.68 | - |
| Godrej Irismark LLP | 819.40 | - |

Godrej Living Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended 31 March, 2023

Note 24 Analytical Ratio

| Sr. No. | Ratio | March 31, 2023 | March 31, 2022 | Change % | Reason for more than 25% change |
|---------|----------------------------------|----------------|----------------|----------|--|
| 1 | Current Ratio | 0.66 | 0.08 | 88.6 | The Company has started its operations only during this FY hence there is significant movement in its current assets and current liabilities |
| 2 | Debt-Equity Ratio (Gross) | (0.44) | - | 100.0 | The Company has taken borrowings during this Financial year |
| 3 | Debt-Equity Ratio (Net) | - | - | - | - |
| 4 | Debt Service Coverage Ratio | (0.01) | - | 100.0 | The Company has taken borrowings during this Financial year |
| 5 | Return on Equity Ratio | - | - | - | Not Applicable. There are losses in both Financial years. |
| 6 | Trade Receivables Turnover Ratio | 3.30 | - | 100.0 | The Company has started its operations only during this FY hence there is significant movement in Trade receivables. |
| 7 | Trade Payables Turnover Ratio | 2.13 | 1.09 | 48.7 | The Company has started its operations only during this FY hence there is significant movement in Trade Payables. |
| 8 | Net Capital Turnover Ratio | (3.49) | - | 100.0 | The Company has started its operations only during this FY. |
| 9 | Net Profit Ratio | (0.56) | - | 100.0 | The Company has started its operations only during this FY. |
| 10 | Return on Capital Employed | 3.42 | 1.00 | 70.8 | The Company has started its operations only during this FY. |
| 11 | Return on Investment | - | - | - | - |

(a) Formula 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) | $\frac{\text{Total Debt (Current Borrowings + Non-Current Borrowings)} - \text{Cash and Cash Equivalents} - \text{Bank Balances other than above} - \text{Deposit With Banks (Other Non-Current Non Financial Assets)} - \text{Investments (Current)}}{\text{Shareholder's Equity (Total Equity)}}$ |
| 4 | Debt Service Coverage Ratio | $\frac{\text{Earnings available for debt service (Profit/(Loss) before tax + Finance cost + Finance cost included in Cost of Sales + Depreciation and amortisation expense)}}{\text{Finance Cost (excludes interest accounted on customer advance as per EIR Principal) + Principal Payment due to Non-Current Borrowing repayable within one year}}$ |
| 5 | Return on Equity Ratio | $\frac{\text{Profit/(loss) for the year}}{\text{Average Shareholder's Equity (Total Equity)}}$ |
| 6 | Trade Receivables Turnover Ratio | $\frac{\text{Revenue from Operations}}{\text{Average Trade Receivables}}$ |
| 7 | Trade Payables Turnover Ratio | $\frac{\text{Cost of Material Consumed + Changes in inventories of finished goods and construction work-in-progress}}{\text{Average Trade Payables}}$ |
| 8 | Net Capital Turnover Ratio | $\frac{\text{Revenue from Operations}}{\text{Average Working Capital (Current Assets - Current Liabilities)}}$ |
| 9 | Net profit ratio | $\frac{\text{Profit/(loss) for the year}}{\text{Total Income}}$ |
| 10 | Return on Capital Employed | $\frac{\text{Earnings before Interest and Tax (Profit / (Loss) before tax + Finance cost)}}{\text{Average Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability (net of Deferred Tax Assets))}}$ |
| 11 | Return on Investment | $\frac{\text{Other Income - Profit on Sale of Property, Plant and Equipment (net) - Miscellaneous Income}}{\text{Average of Cash and Cash Equivalents + Bank Balances other than above + Deposit With Banks (Other Non-Current Non Financial Assets) + Investments (Current) + Investment in Fully paid-up Equity Instruments}}$ |

Godrej Living Private Limited

Notes Forming Part of Financial Statements (Continued)

For the Year ending March 31, 2023

(Currency in INR Thousands)

Note 25 Employee Benefits

a) Defined Contribution Plans:

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

| Particulars | For the Year Ended March 31, 2023 | For the Period February 1, 2022 to March 31, 2022 |
|---|--------------------------------------|---|
| Employer's Contribution to Provident Fund (Gross before Allocation) | 299.06 | - |
| Employer's Contribution to ESIC | - | - |

b) Defined Benefit Plans:

Contribution to Gratuity Fund (Non-Funded)

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

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

(i) Changes in present value of defined benefit obligation

| Particulars | For the Year Ended March 31, 2023 | For the Period February 1, 2022 to March 31, 2022 |
|---|--------------------------------------|---|
| Present value of obligation as at beginning of the year | - | - |
| Interest Cost | - | - |
| Current Service Cost | - | - |
| Benefits Paid | - | - |
| Effect of Liability Transfer in acquisition | 3,881.80 | - |
| Effect of Liability Transfer out | - | - |
| Actuarial (gains)/ losses on obligations - due to change in demographic | - | - |
| Actuarial (gains)/ losses on obligations - due to change in financial assumptions | - | - |
| Actuarial (gains)/ losses on obligations - due to change in experience | 1,597.20 | - |
| Present value of obligation as at the end of the year | 5,479.00 | - |

(ii) Amount recognised in the Standalone Balance Sheet

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|----------------------|----------------------|
| Present value of obligation as at end of the year | 5,479.00 | - |
| Fair value of plan assets as at end of the year | - | - |
| Net obligation as at end of the year | 5,479.00 | - |

(iii) Net gratuity cost for the year

| Particulars | For the Year Ended March 31, 2023 | For the Period February 1, 2022 to March 31, 2022 |
|---|--------------------------------------|---|
| Recognised in the Standalone Statement of Profit and Loss | | |
| Current Service Cost | - | - |
| Interest Cost | - | - |
| Total | - | - |
| Recognised in Other Comprehensive Income (OCI) | | |
| Remeasurement due to: | | |
| Actuarial (gains)/ losses on obligations - due to change in demographic assumptions | - | - |
| Actuarial (gains)/ losses on obligations - due to change in financial assumptions | - | - |
| Actuarial (gains)/ losses on obligations - due to change in experience | 1,597.20 | - |
| Total | 1,597.20 | - |
| Net Gratuity cost in Total Comprehensive Income (TCI) | 1,597.20 | - |

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

For the Year ending March 31, 2023

(Currency in INR Thousands)

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

For the Year ending March 31, 2023

(Currency in INR Thousands)

Note 25 Employee Benefits (Continued)**b) Defined Benefit Plans: (Continued)**

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

| Particulars | For the Year Ended March 31, 2023 | For the Period February 1, 2022 to March 31, 2022 |
|------------------------|--|---|
| Discount Rate | 7.46% | 0.00% |
| Salary escalation rate | 12% | 0.00% |
| Attrition Rate | 8.9% | 0.00% |
| Mortality | Indian Assured Lives Mortality 2012-14 (Urban) | NA |

(v) Sensitivity analysis

A quantitative sensitivity analysis on Defined Benefit Obligation for significant assumptions as at March 31, 2023 is shown below:

| Particulars | For the Year Ended March 31, 2023 | | For the Period February 1, 2022 to March 31, 2022 | |
|--------------------------------------|--------------------------------------|----------|---|----------|
| | Increase | Decrease | Increase | Decrease |
| Discount Rate (1% movement) | (313.60) | 348.35 | - | - |
| Salary escalation rate (1% movement) | 330.36 | (303.70) | - | - |
| Attrition Rate (1% movement) | (8.81) | 9.60 | - | - |

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

(vi) The expected future cash flows in respect of gratuity as at March 31, 2023 were as follows:

Maturity Analysis of Projected Benefit Obligation: From the Employer

| Projected Benefits Payable in Future Years from the Reporting Date | For the Year Ended March 31, 2023 | For the Period February 1, 2022 to March 31, 2022 |
|--|--------------------------------------|---|
| 1st Following Year | 369.78 | - |
| 2nd Following Year | 376.87 | - |
| 3rd Following Year | 383.98 | - |
| 4th Following Year | 409.88 | - |
| 5th Following Year | 446.99 | - |
| Sum of Years 6 to 10 | 4,259.00 | - |

Godrej Living Private Limited

Notes Forming Part of Financial Statements (Continued)

For the Year ending March 31, 2023

(Currency in INR Thousands)

Note 26 Deferred Tax Asset (Net)

a) Amount recognised in the statement of Profit and Loss

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------------|----------------------|----------------------|
| Current Tax | - | - |
| Deferred Tax (Credit)/ Charge | - | - |
| Tax Expense for the Year | - | - |

b) Movement in Deferred Tax Balances

| Particulars | Balance as at April 01, 2022 | Movement during the Year | | | | Balance as at March 31, 2023 |
|------------------------------------|------------------------------|-------------------------------|----------------------------|-------------------|--------|------------------------------|
| | | Recognised in Profit and Loss | Recognised in Other Equity | Recognised in OCI | Others | |
| Deferred Tax Assets/ (Liabilities) | - | - | - | - | - | - |

| Particulars | Balance as at April 01, 2021 | Movement during the Year | | | | Balance as at March 31, 2022 |
|------------------------------------|------------------------------|-------------------------------|----------------------------|-------------------|--------|------------------------------|
| | | Recognised in Profit and Loss | Recognised in Other Equity | Recognised in OCI | Others | |
| Deferred Tax Assets/ (Liabilities) | - | - | - | - | - | - |

c) Reconciliation of Effective Tax rate

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|----------------------|----------------------|
| (Loss)/ Profit before Tax | (50,816.61) | (132.75) |
| Tax Expense for the Year Tax using the Company's domestic tax rate 26% (Previous Year: 26%) | 26.00 | 26.00 |
| Tax-effect of: | (13,212.32) | (34.52) |
| Non-deductible expenses | - | - |
| Unabsorbed Losses | 13,212.32 | 34.52 |
| Other adjustments | - | - |
| Tax expense Recognised | - | - |

d) Unrecognised deferred tax assets

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

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|-----------------|----------------------|-------------------------|----------------------|-------------------------|
| | Gross Loss | Unrecognised Tax Effect | Gross Loss | Unrecognised Tax Effect |
| Business Losses | 50,949.36 | 13,246.83 | 132.75 | 34.52 |

e) Tax Losses Carried Forward

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|-----------------|----------------------|-------------|----------------------|-------------|
| | Gross Loss | Expiry Date | Gross Loss | Expiry Date |
| Business Losses | 132.75 | 2030-31 | | |

f) On 30th March 2019, MCA has issued amendment regarding the income tax Uncertainty over Income Tax Treatments. As per the Company's assessment, there are no material income tax uncertainties over income tax treatments during the current financial year .

Godrej Living Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended 31 March, 2023

(Currency in INR Thousands)

Note 27 Ind AS 115 - Revenue from Contracts with Customers

a) The Company provides Facility management services and receives maintenance amount collected by the Customer and utilises the same towards providing CAM maintenance services at respective sites. Revenue is recognised for CAM maintenance at the end of the billing cycle for the month.

The Company also provides pre-possession services and recognises revenue on completion of such service at respective site and on receipt of confirmation of Service completion from Customer.

Based on above, the company does not have any contractual liability or asset hence no specific disclosure applicable under IND AS 115

b) Reconciliation of revenue as per contract price and as recognised in the statement of profit and loss:

| Particulars | For the Year Ended March 31, 2023 | For the Period February 01, 2022 to March 31, 2022 |
|--|---|--|
| Revenue from contracts with customers as per contract price and statement of profit and loss | 90,613.00 | - |

Note 28 Transaction with Struck off Companies

There are no transactions entered in current year and in previous year by the company with any of the companies whose name is struck off by Ministry of Corporate Affairs(MCA) from company register.

Note 29 Segment Reporting

a) The Company has only one reportable business segment, which renders Facility Management services and is engaged in activities such as CAM Management, Snagging, Deep cleaning, and other ancillary activities and only one reportable geographical segment. Accordingly, these financial statements are reflective of the information required by the Accounting Standard 17- "Segment Reporting"

b) Revenue from 5 customers is Rs. 76865.74 Thousand for the Year ended March 31, 2023 (Previous Year: NIL) constituted more than 10% of the total revenue of the company

Note 30 Utilisation of Borrowed Funds

a) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies) including foreign entities (Intermediaries) with the understanding 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 to or on behalf of the Ultimate Beneficiary

b) The Company has not received any funds from 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 to or on behalf of the Ultimate Beneficiary

Note 31 Other Disclosures under Schedule III

Other requirements of Schedule III which has not been disclosed here are either Nil or not applicable and hence not disclosed.

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

Godrej Living Private Limited

CIN: U45201MH2022PTC375864

Viren Soni

Partner

Membership no.: 117694

Mumbai

Date: 29th June 2023

Mamta Bhavik Bhakshi

DIRECTOR

DIN: 07323611

Mumbai

Date: 29th June 2023

Hariharan Vilayanur Ananthkrishnan

DIRECTOR

DIN: 09488606

Mumbai

Date: 29th June 2023