

Godrej Properties Limited

**Standalone Financial Statements
together with the
Independent Auditors' Report
for the year ended 31 March 2020**

Godrej Properties Limited

Standalone financial statements together with the Independent Auditors' Report

for the year ended 31 March 2020

Contents

Independent Auditors' Report

Standalone Balance sheet

Standalone Statement of profit and loss (including other comprehensive income)

Standalone Statement of changes in equity

Standalone Statement of cash flows

Notes to the standalone financial statements

B S R & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

Telephone +91 (22) 4345 5300
Fax +91 (22) 4345 5399

Independent Auditors' Report To the Members of Godrej Properties Limited

Report on the Audit of the Standalone financial statements

Opinion

We have audited the standalone financial statements of Godrej Properties Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2020, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information in which are incorporated returns from branches in Singapore and Dubai, UAE (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



B S R & Co (a partnership firm with
Registration No. 6A61223) converted into
B S R & Co. LLP (a Limited Liability Partnership
with LLP Registration No. AAB-8181)
with effect from October 14, 2013

Registered Office:
5th Floor, Lodha Excelus
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011, India

Independent Auditors' Report (Continued)

Godrej Properties Limited

Key Audit Matters

Revenue Recognition (refer note 27 to the standalone financial statements)

The Key Audit Matter

The Company's most significant revenue streams involve sale of residential and commercial units representing 90.19% of the total revenue from operations of the Company.

Revenue is recognised post transfer of control of residential and commercial units to customers for the amount /consideration which the Company expects to receive in exchange for those units. The trigger for revenue recognition is normally completion of the project or receipt of approvals on completion from relevant authorities or intimation to the customer of completion, post which the contract becomes non-cancellable. The Company records revenue, over time till the actual possession to the customers, or on actual possession to the customers, as determined by the terms of contract with customers.

The risk for revenue being recognized in an incorrect period presents a key audit matter due to the financial significance and geographical spread of the Company's projects across different regions in India.

Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete

Revenue recognition involves significant estimates related to measurement of costs to complete for the projects. Revenue from projects is recorded based on the Company's assessment of the work completed, costs incurred and accrued and the estimate of the balance costs to complete.

Considering the significant estimate involved in measurement of revenue, we have considered measurement of revenue as key audit matter.

How the matter was addressed in our audit

Our audit procedures included following:

- Evaluating the design and implementation and tested operating effectiveness of key internal controls over revenue recognition.
- Evaluating the accounting policies adopted by the Company for revenue recognition to check those are in line with the applicable accounting standards and their consistent application to the significant sales contracts.
- Scrutinising the revenue journal entries raised throughout the reporting period and comparing details of a sample of these journals, which met certain risk-based criteria, with relevant underlying documentation.
- Testing timeliness of revenue recognition by comparing individual sample sales transactions to underlying contracts.
- Conducting site visits during the year for selected projects to understand the scope, nature and progress of the projects.
- Considering the adequacy of the disclosures in the standalone financial statements in respect of the judgments taken in recognising revenue for residential and commercial property units in accordance with Ind AS 115.

Revenue recognition prior to receipt of Occupancy Certificate/ similar approval and intimation to the customer

- Obtaining and understanding revenue recognition process including identification of performance obligations and determination of transfer of control of the asset underlying the performance obligation to the customer.

Evaluating revenue overstatement or understatement by assessing Company's key judgments in interpreting contractual terms. Determining the point in time at which the control is transferred by evaluating Company's in-house legal interpretations of the underlying agreements i.e. when contract becomes non-cancellable.



Independent Auditors' Report (Continued)

Godrej Properties Limited

Key Audit Matters (Continued)

Revenue recognition (refer note 27 to the standalone financial statements) (Continued)

The Key Audit Matter	How the matter was addressed in our audit
	- Identifying and testing operating effectiveness of key controls around approvals of contracts, milestone billing, intimation of possession letters / intimation of receipt of occupation certificate and controls over collection from customers. - Testing sample sales of units for projects with the underlying contracts, completion status and proceeds received from customers. - Requesting confirmations, on a sample basis, from major customers for selected projects and reconciling them with revenue recognised. In case of non-receipt of confirmations, we have performed alternative procedures by comparing details with contracts, collection details and other underlying project related documentation.
	Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete - Identifying and testing operating effectiveness of key controls over recording of project costs. - Assessing the costs incurred and accrued to date on the balance sheet by examining underlying invoices and signed agreements on a sample basis. Assessing contract costs to check no costs of revenue nature are incorrectly recorded in the balance sheet. - Comparing, on a sample basis, revenue transactions recorded during the year with the underlying contracts, progress reports, invoices raised on customers and collections in bank accounts. Also, checked the related revenue had been recognised in accordance with the Company's revenue recognition policies. - Comparing the costs to complete workings with the budgeted costs and inquiring for variance. - Sighting Company's internal approvals, on sample basis, for changes in budgeted costs along with the rationale for the changes.



Independent Auditors' Report (Continued)

Godrej Properties Limited

Key Audit Matters (Continued)

Inventories (refer note 12 to the standalone financial statements)

The Key Audit Matter

Inventories held by the Company comprising of finished goods and construction work in progress represent 12.71% of the Company's total assets. Inventory may be held for long periods of time before sale making it vulnerable to reduction in net realizable value (NRV). This could result in an overstatement of the value of inventory when the carrying value is higher than the NRV.

Assessing NRV

NRV is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale and estimated costs of completion (in case of construction work-in-progress). The inventory of finished goods and construction work-in-progress is not written down below cost when completed flats/ under-construction flats /properties are expected to be sold at or above cost.

For NRV assessment, the estimated selling price is determined for a phase, sometimes comprising multiple units. The assessment and application of write-down of inventory to NRV are subject to significant judgement by the Company.

As such inappropriate assumptions in these judgements can impact the assessment of the carrying value of inventories.

Considering the Company's judgement associated with long dated estimation of future market and economic conditions and materiality in the context of total assets of the Company, we have considered assessment of net realizable value of inventory as key audit matter.

How the matter was addressed in our audit

Our audit procedures included:

- Understanding from the Company the basis of estimated selling price for the unsold units and units under construction.
- Evaluating the design and testing operating effectiveness of controls over preparation and update of NRV workings by designated personnel. Testing controls related to Company's review of key estimates, including estimated future selling prices and costs of completion for property development projects.
- Evaluating the Company's judgement with regards to application of write-down of inventory units by auditing the key estimates, data inputs and assumptions adopted in the valuations. Comparing expected future average selling prices with available market conditions such as price range available under industry reports published by reputed consultants and the sales budget plans maintained by the Company.
- Comparing the estimated construction costs to complete each project with the Company's updated budgets. Re-computing the NRV, on a sample basis, to test inventory units are held at the lower of cost and NRV.



Independent Auditors' Report (Continued)

Godrej Properties Limited

Key Audit Matters (Continued)

Deferred Tax Assets (refer note 10 to the standalone financial statements)

The Key Audit Matter	How the matter was addressed in our audit
Recognition and measurement of deferred tax assets Under Ind AS, the Company is required to reassess recognition of deferred tax asset at each reporting date. The Company has deferred tax assets in respect of brought forward losses and other temporary differences, as set out in note 10 (b) to the standalone financial statements. The Company's deferred tax assets in respect of brought forward business losses are based on the projected profitability. This is determined on the basis of approved business plans demonstrating availability of sufficient taxable income to utilize such brought forward business loss. We have identified recognition of deferred tax assets as key audit matter because of the related complexity and subjectivity of the assessment process. The assessment process is based on assumptions affected by expected future market or economic conditions.	Our audit procedures included: - Obtaining the approved business plans, projected profitability statements for the existing ongoing projects. - Evaluating the design and testing the operating effectiveness of controls over quarterly assessment of deferred tax balances and underlying data. - Evaluating the projections of future taxable profits. Testing the underlying data and assumptions used in the profitability projections and performing sensitivity analysis. Checking other convincing evidence like definitive agreements for land / development rights and verifying the project plans in respect of new projects and review of contractual agreements with customers and estimates on unsold inventory for existing projects. - Assessing the recoverability of deferred tax assets by evaluating profitability, Company's forecasts and fiscal developments. - Focusing on the adequacy of the Company's disclosures on deferred tax and assumptions used. The Company's disclosures concerning income taxes are included in note 10 to the standalone financial statements.



Independent Auditors' Report (Continued)

Godrej Properties Limited

Key Audit Matters (Continued)

Investment in subsidiaries, joint ventures and an associate and loans/financial instruments to group entities.

(refer note 6, 7 and 17 to the standalone financial statements)

The Key Audit Matter	How the matter was addressed in our audit
The carrying amount of the investments in subsidiaries, joint ventures and an associate held at cost less impairment represents 8.96% of the Company's total assets. The loans/financial instruments to subsidiaries and joint ventures represents 35.41% of the Company's total assets. Recoverability of investment in subsidiaries, joint ventures and an associate The Company's investments in subsidiaries, joint ventures and an associate are carried at cost less any diminution in value. The investments are assessed for impairment at each reporting date. The impairment assessment involves the use of estimates and judgements. The identification of impairment event and the determination of an impairment charge also require the application of significant judgement by the Company. The judgement, in particular, is with respect to the timing, quantity and estimation of projected cash flows of the real estate projects in these underlying entities. In view of the significance of these investments and above, we consider valuation / impairment of investments in subsidiaries, joint ventures and an associate to be a key audit matter.	Recoverability of investments in joint ventures and an associate Our audit procedures included: - Evaluating design and implementation and testing operating effectiveness of controls over the Company's process of impairment assessment and approval of forecasts. - Assessing the valuation methods used, financial position of the subsidiaries, joint ventures and an associate to identify excess of their net assets over their carrying amount of investment by the Company and assessing profit history of those subsidiaries, joint ventures and an associate. - For the investments where the carrying amount exceeded the net asset value, understanding from the Company regarding the basis and assumptions used for the projected profitability. - Verifying the inputs used in the projected profitability. - Testing the assumptions and understanding the forecasted cash flows of subsidiaries, joint ventures and an associate based on our knowledge of the Company and the markets in which they operate. - Assessing the comparability of the forecasts with historical information. - Analysing the possible indications of impairment and understanding Company's assessment of those indications. - Considering the adequacy of disclosures in respect of the investment in subsidiaries, joint ventures and an associate.



Independent Auditors' Report (Continued)

Godrej Properties Limited

Key Audit Matters (Continued)

Investment in subsidiaries, joint ventures and an associate and loans/financial instruments to Company entities.

(refer note 6, 7 and 17 to the standalone financial statements)

The Key Audit Matter	How the matter was addressed in our audit
Recoverability of loans/financial instruments to subsidiaries and joint ventures The Company has extended loans/financial instruments to joint ventures and subsidiaries. These are assessed for recoverability at each period end. Due to the nature of the business in the real estate industry, the Company is exposed to heightened risk in respect of the recoverability of the loans/financial instruments granted to the aforementioned parties. In addition to nature of business, there is also significant judgment involved as to the recoverability of the working capital and project specific loans/financial instruments. This depends on property developments projects being completed over the time period specified in agreements. We have identified measurement of loans/financial instruments to subsidiaries and joint ventures as key audit matter because recoverability assessment involves Company's significant judgement and estimate.	Recoverability of loans/financial instruments to subsidiaries and joint ventures Our procedures included: - Evaluating the design and implementation and testing operating effectiveness of key internal controls placed around the impairment assessment process of the recoverability of the loans/financial instruments. - Assessing the net worth of subsidiaries and joint ventures on the basis of latest available financial statements. - Assessing the controls for grant of new loans/financial instruments and sighting the Board approvals obtained. We have tested Company's assessment of the recoverability of the loans/financial instruments, which includes cash flow projections over the duration of the loans/financial instruments. These projections are based on underlying property development appraisals. - Tracing loans/financial instruments advanced / repaid during the year to bank statement. - Obtaining independent confirmations to assess completeness and existence of loans/financial instruments and advances given to subsidiaries and joint ventures as on 31 March 2020.




Independent Auditors' Report (*Continued*)

Godrej Properties Limited

Other Information

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.



Independent Auditors' Report (*Continued*)

Godrej Properties Limited

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Independent Auditors' Report (Continued)

Godrej Properties Limited

Report on Other Legal and Regulatory Requirements

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

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

- (a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this report are in agreement with the books of account;
- (d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act;
- (e) on the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) with respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

- i. the Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its standalone financial statements – Refer Note 45 to the standalone financial statements;
- ii. the Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses;
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020; and
- iv. the disclosures in the standalone financial statements regarding holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2020.



Independent Auditors' Report (Continued)

Godrej Properties Limited

Report on Other Legal and Regulatory Requirements (Continued)

- (C) With respect to the matter to be included in the Auditors' Report under Section 197 (16) of the Act, we report that:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act; and the Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

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



Aniruddha Godbole

Partner

Membership No: 105149

UDIN: 20105149AAAADG2559

Mumbai

11 May 2020

Godrej Properties Limited

Annexure A to the Independent Auditors' Report – 31 March 2020

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2020, we report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets including property, plant and equipment and investment properties and investment property under construction.
- (b) The Company has a regular programme of physical verification of its fixed assets including property, plant and equipment and investment properties by which the fixed assets including property, plant and equipment and investment properties are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified certain property, plant and equipment and investment properties during the year and no discrepancies were noticed in respect of assets verified during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Company's inventory includes construction work in progress. Accordingly, the requirements under paragraph 3(ii) of the Order are not applicable for construction work in progress. The inventory comprising of finished goods has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. No discrepancies were noticed on verification between the physical stocks and the book records.
- (iii) The Company has granted unsecured loans to fourteen companies and thirty five limited liability partnerships covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). The Company has not granted any loans, secured or unsecured, to firms or other parties covered in the register required to be maintained under Section 189 of the Act.
 - i) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the rate of interest and other terms and conditions of unsecured loans granted by the Company to companies and limited liability partnerships covered in the register required to be maintained under Section 189 of the Act are not, prima facie, prejudicial to the interest of the Company.
 - ii) According to the information and explanations given to us and based on the audit procedures conducted by us, the unsecured loans granted to the companies and the interest thereon are repayable on demand and the unsecured loans granted to limited liability partnerships and the interest thereon are repayable on demand or repayable as per contractual terms of the respective limited liability partnership agreements. The borrowers have been regular in payment of principal and interest as demanded or as per contractual terms, as applicable.
 - iii) There are no overdue amounts of more than 90 days in respect of the unsecured loans granted to companies and limited liability partnerships by the Company.



Godrej Properties Limited

Annexure A to the Independent Auditors' Report – 31 March 2020 (Continued)

- (iv) In our opinion and according to the information and explanations given to us and based on the audit procedures conducted by us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to loans granted, guarantees provided and investments made by the Company. The Company has not provided any security in connection with a loan to any other body corporate or person and accordingly, compliance under Sections 185 and 186 of the Act in respect of providing securities is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' State Insurance, Goods and Service tax, Labour cess, Professional tax, Property tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. Amounts deducted / accrued in the books of account in respect of undisputed statutory dues of Income-tax have generally been regularly deposited during the year by the Company with the appropriate authorities, though there have been slight delays in a few cases. As explained to us, the Company did not have any dues on account of wealth tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and Service tax, Labour cess, Professional tax, Property tax, Cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Service tax, Value added tax and Goods and Service tax as at 31 March 2020, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:



Godrej Properties Limited

Annexure A to the Independent Auditors' Report – 31 March 2020
(Continued)

Name of the statute	Nature of the dues	Amount not deposited on account of demand Rupees in crores*	Financial year (F.Y.) to which the amount relates	Forum where dispute is Pending
MVAT Act, 2002	Entry Tax	0.77	2012-13	The Joint Commissioner of MVAT (Appeal -4), Mumbai
MVAT Act, 2002	Value Added Tax	3.30	2008-09	The Joint Commissioner of Sales Tax (Appeals V), Mumbai
MVAT Act, 2002	Value Added Tax	0.04	2011-12	The Joint Commissioner of Sales Tax (Appeals V), Mumbai
Finance Act, 1994	Service Tax	41.25	2005-06 to 2010-11	Custom, Excise & Service Tax Appellate Tribunal, Bangalore
Finance Act, 1994	Service Tax	5.82	2012-13 to 2014-15	Custom, Excise & Service Tax Appellate Tribunal, Mumbai
Finance Act, 1994	Service Tax	9.92	2014-15 and 2015-16	Custom, Excise & Service Tax Appellate Tribunal, Mumbai
Finance Act, 1994	Service Tax	0.45	2008-09 to 2011-12	Custom, Excise & Service Tax Appellate Tribunal, Bangalore
Finance Act, 1994	Service Tax	4.39	2010-11 to 2012-13	Custom, Excise & Service Tax Appellate Tribunal, Bangalore
MVAT Act, 2002	Value Added Tax	4.47	2007-08	The Joint Commissioner of Sales Tax (Appeals V), Mumbai
MVAT Act, 2002	Value Added Tax	4.92	2009-10	The Joint Commissioner of Sales Tax (Appeals V), Mumbai
MVAT Act, 2002	Value Added Tax	0.99	2010-11	The Joint Commissioner of Sales Tax (Appeals V), Mumbai
Income Tax Act, 1961	Income tax	0.39	2006-07	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	0.04	2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	0.22	2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	0.49	2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	2.20	2014-15	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	0.05	2015-16	Commissioner of Income Tax (Appeals)

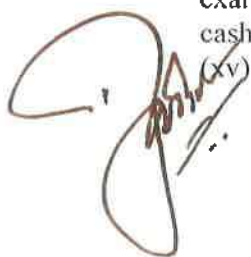
* net of amount deposited under protest



Godrej Properties Limited

Annexure A to the Independent Auditors' Report – 31 March 2020 (Continued)

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of loans or borrowings to banks or financial institutions or dues to debenture holders. The Company does not have any loans or borrowings from government during the year.
- (ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made private placement of equity shares during the year in compliance with the requirements of Section 42 of the Act. Out of the total money raised aggregating Rs 2,100 crores, Rs 121.56 crores has been utilised till 31 March 2020 (also refer note 50 to the standalone financial statements). Pending utilisation of the funds raised by issue of equity shares, the funds aggregating to Rs 1,978.44 crores were used for purposes other than for which they were raised and were temporarily invested in mutual funds and bank deposits. The Company has not made any private placement of fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.



Godrej Properties Limited

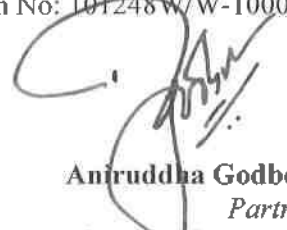
Annexure A to the Independent Auditors' Report – 31 March 2020 *(Continued)*

- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

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

Chartered Accountants

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



Aniruddha Godbole
Partner

Membership No: 105149

UDIN: 20105149AAAADG2559

Mumbai
11 May 2020

Godrej Properties Limited

Annexure B to the Independent Auditors' Report – 31 March 2020

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

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Godrej Properties Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone 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 standalone financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with respect to standalone 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 standalone 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 standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

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



Godrej Properties Limited

Annexure B to the Independent Auditors' Report – 31 March 2020 (Continued)

Auditors' Responsibility (Continued)

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

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone 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



Aniruddha Godbole

Partner

Membership No: 105149

UDIN: 20105149AAAADG2559

Mumbai
11 May 2020

Godrej Properties Limited

Standalone Balance Sheet

as at March 31, 2020

(Currency in INR Crore)

Particulars	Note	As At March 31, 2020	As At March 31, 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	82.80	76.20
Right-of-use-Asset	40	3.29	-
Capital Work-in-Progress	3	11.54	3.04
Investment Property	4	9.79	2.20
Intangible Assets	5	21.42	22.43
Intangible Assets Under Development	5	2.05	0.77
Financial Assets			
Investments in Subsidiaries, Joint Ventures and Associate	6	878.97	853.10
Other Investments	7	686.02	725.18
Loans	8	26.33	28.57
Other Non-Current Financial Assets	9	2.99	-
Deferred Tax Assets (Net)	10	204.97	374.04
Income Tax Assets (Net)		102.15	117.88
Other Non-Current Non Financial Assets	11	37.56	56.61
Total Non-Current Assets		2,069.88	2,260.02
Current Assets			
Inventories	12	1,247.42	1,580.10
Financial Assets			
Investments	13	1,997.65	887.68
Trade Receivables	14	139.12	103.63
Cash and Cash Equivalents	15	74.72	112.92
Bank Balances other than above	16	352.56	169.20
Loans	17	3,012.28	2,063.97
Other Current Financial Assets	18	581.92	375.78
Other Current Non Financial Assets	19	338.06	223.96
Total Current Assets		7,743.73	5,517.24
TOTAL ASSETS		9,813.61	7,777.26
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	20	126.01	114.66
Other Equity		4,908.77	2,542.39
Total Equity		5,034.78	2,657.05
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	21	-	500.00
Lease Liabilities	40	1.15	-
Provisions	22	12.62	11.51
Total Non-Current Liabilities		13.77	511.51
Current Liabilities			
Financial Liabilities			
Borrowings	23	3,204.04	3,015.84
Lease Liabilities	40	2.84	-
Trade Payables			
Total Outstanding Dues of Micro Enterprises and Small Enterprises		10.34	10.31
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		420.05	132.71
Other Current Financial Liabilities	24	835.95	241.01
Other Current Non-Financial Liabilities	25	269.27	1,187.28
Provisions	26	11.79	10.98
Current Tax Liabilities (Net)		10.28	10.57
Total Current Liabilities		4,765.06	4,608.70
Total Liabilities		4,778.83	5,120.21
TOTAL EQUITY AND LIABILITIES		9,813.61	7,777.26



Godrej Properties Limited

Standalone Balance Sheet (Continued)

as at March 31, 2020

(Currency in INR Crore)

Significant Accounting Policies

The accompanying notes 1 to 55 form an integral part of the Standalone Financial Statements.

As per our report of even date.

For B S R & Co. LLP

Chartered Accountants

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

Aniruddha Godbole

Partner

Membership No: 105149

Mumbai

May 11, 2020

For and on behalf of the Board of Directors of
Godrej Properties Limited

CIN: L74120MH1985PLC035308

Pirojsha Godrej

Executive Chairman

DIN: 00432983

Mohit Malhotra

Managing Director & CEO

DIN: 07074531

Surender Varma

Company Secretary

ICSI Membership No. A10428

Rajendra Khetawat

Chief Financial Officer

Mumbai

May 11, 2020

Godrej Properties Limited

Standalone Statement of Profit and Loss for the year ended March 31, 2020

(Currency in INR Crore)

Particulars	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
INCOME			
Revenue from Operations	27	1,747.05	1,433.75
Other Income	28	540.63	460.25
Total Income		2,287.68	1,894.00
EXPENSES			
Cost of Materials Consumed	29	678.48	509.34
Changes in inventories of finished goods and construction work-in-progress	30	317.66	500.54
Employee Benefits Expense	31	152.43	143.52
Finance Costs	32	270.88	251.95
Depreciation and Amortisation Expense	33	16.67	13.12
Other Expenses	34	339.70	190.55
Total Expenses		1,775.49	1,609.02
Profit before Tax		512.19	284.98
Tax Expense (Credit) / Charge			
Current Tax	10(a)	29.61	(8.90)
Deferred Tax	10(b)	169.76	84.53
Total Tax Expense		199.37	75.63
Profit for the Year		312.82	209.35
Other Comprehensive Income			
Items that will not be subsequently reclassified to profit or loss			
Remeasurements of the defined benefit plan		(1.04)	(0.50)
Tax on above	10(b)	0.36	0.17
Other Comprehensive Income for the Year (Net of Tax)		(0.68)	(0.33)
Total Comprehensive Income for the Year		312.14	209.02
Earnings Per Share (Amount in INR)			
Basic	35(a)	12.69	9.22
Diluted	35(b)	12.69	9.22

Significant Accounting Policies

The accompanying notes 1 to 55 form an integral part of the Standalone Financial Statements.

As per our report of even date.

For BSR & Co. LLP

Chartered Accountants

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

Aniruddha Godbole
Partner

Membership No: 105149

Mumbai
May 11, 2020

Poojsha Godrej
Executive Chairman
DIN: 00432983

Surender Varma
Company Secretary
ICSI Membership No. A10428

Mumbai
May 11, 2020

For and on behalf of the Board of Directors of

Godrej Properties Limited

CTIN: L74120MH1985PLC035308

Mohit Malhotra
Managing Director & CEO
DIN: 07074531

Rajendra Khetawat
Chief Financial Officer

Godrej Properties Limited

Standalone Statement of Changes in Equity for the year ended March 31, 2020

(Currency in INR Crore)

a) Equity Share Capital

Particulars	As At March 31, 2020	As At March 31, 2019
Balance at the beginning of the year	114.66	108.24
Changes in equity share capital during the year	11.35	6.42
Balance at the end of the year	126.01	114.66

b) Other Equity

Particulars	Capital Reserve (refer note (a) below)	Capital Reserve on Account of Amalgamation (refer note (b) below)	Securities Premium (refer note (c) below)	Reserves and Surplus Debiture Redemption Reserve (refer note (d) below)	Employee Stock Grant Scheme Reserve (refer note (e) below)	General Reserve (refer note (f) below)	Retained Earnings (refer note (g) below)	Total
Restated balance as at April 01, 2018	7.20	129.01	1,702.25	50.00	4.65	9.80	(563.27)	1,339.64
Total Comprehensive Income:								
i) Profit for the year	-	-	-	-	-	-	209.35	209.35
ii) Remeasurements of the defined benefit plan (net of tax) (refer note 36)	-	-	-	-	-	-	(0.33)	(0.33)
Adjustments:								
i) On fresh issues of shares (net of expenses INR 3.57 crore)	-	-	990.18	-	-	-	-	990.18
ii) Transfer to securities premium on exercise of stock grants	-	-	2.93	-	(2.93)	-	-	-
iii) Share based payments to employees (refer note 39)	-	-	-	-	3.55	-	-	3.55
iv) Transfer to debenture redemption reserve	-	-	-	50.00	-	-	(50.00)	-
Balance as at March 31, 2019	7.20	129.01	2,695.36	100.00	5.27	9.80	(404.25)	2,542.39



Godrej Properties Limited

Standalone Statement of Changes in Equity (Continued) for the year ended March 31, 2020

(Currency in INR Crore)

b) Other Equity (Continued)

Particulars	Capital Reserve (refer note (a) below)	Capital Reserve on Account of Amalgamation (refer note (b) below)	Securities Premium (refer note (c) below)	Reserves and Surplus	Employee Stock Grant Scheme Reserve (refer note (e) below)	General Reserve (refer note (f) below)	Retained Earnings (refer note (g) below)	Total
				Debt Redemption Reserve (refer note (d) below)				
Balance as at April 01, 2019, as previously reported	7.20	129.01	2,695.36	100.00	5.27	9.80	(404.25)	2,542.39
Adjustment on initial application of IND AS 116 (net of tax) (refer note 40)	-	-	-	-	-	-	(1.02)	(1.02)
Adjusted Balances as at April 01, 2019	7.20	129.01	2,695.36	100.00	5.27	9.80	(405.27)	2,541.37
Total Comprehensive Income:								
i) Profit for the year	-	-	-	-	-	-	312.82	312.82
ii) Remeasurements of the defined benefit plan (net of tax) (refer note 36)	-	-	-	-	-	-	(0.68)	(0.68)
Adjustments:								
i) On fresh issues of shares (net of expenses INR 37.80 Crore)	-	-	2,050.88	-	-	-	-	2,050.88
ii) Transfer to securities premium on exercise of stock grants	-	-	3.69	-	(3.69)	-	-	-
iii) Share based payments to employees (refer note 39)	-	-	-	-	4.38	-	-	4.38
Balance as at March 31, 2020	7.20	129.01	4,749.93	100.00	5.96	9.80	(93.13)	4,908.77

(a) Capital Reserve

Profit on sale of treasury shares held by the ESOP trust is recognised in Capital Reserve.

(b) Capital Reserve on Account of Amalgamation

The excess of net assets taken over the cost of consideration paid is treated as Capital Reserve on Account of Amalgamation.

(c) Securities Premium

Securities Premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

(d) Debenture Redemption Reserve

The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), requires the Company to create Debenture Redemption Reserve out of profits of the Company available for payment of dividend.

(e) Employee Stock Grant Scheme Reserve

The fair value of the equity-settled share based payment transactions with employees including key management personnel is recognised in the Standalone Statement of Profit and Loss with corresponding credit to Employee Stock Grant Scheme Reserve.

(f) General Reserve

The General Reserve is created from time to time to transfer profits from retained earnings for appropriation purposes



Godrej Properties Limited

Standalone Statement of Changes in Equity (Continued) for the year ended March 31, 2020

(Currency in INR Crore)

b) Other Equity (Continued)

(g) Retained Earnings

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

The accompanying notes 1 to 55 form an integral part of the Standalone Financial Statements.

As per our report of even date.

For BSR & Co. LLP

Chartered Accountants

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


Aniruddha Godbole
Partner
Membership No: 105149

Mumbai

May 11, 2020

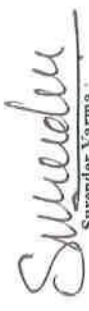
For and on behalf of the Board of Directors of

Godrej Properties Limited

CIN: L74120MH1985PLC035308


Pirojsha Godrej
Executive Chairman
DIN: 00432983


Mohit Mehta
Managing Director & CEO
DIN: 07074531


Surender Varma
Company Secretary
ICSI Membership No: A10428


Rajendra Khattawat
Chief Financial Officer

Mumbai

May 11, 2020

Godrej Properties Limited

Standalone Statement of Cash Flows for the year ended March 31, 2020

(Currency in INR Crore)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash Flow from Operating Activities		
Profit before tax	512.19	284.98
Adjustment for:		
Depreciation and amortisation expense	16.67	13.12
Finance costs	270.55	251.95
(Profit) / Loss on sale of property, plant and equipment (net)	(0.08)	7.35
Share of loss / (profit) in limited liability partnerships	62.21	(0.20)
Share based payments to employees	4.38	3.55
Expenses on amalgamation	0.35	-
Liabilities written back	(0.64)	-
Interest income	(426.09)	(303.59)
Dividend income	(0.00)	(0.00)
Profit on Sale of Investments (net)	(82.54)	(58.26)
Income from investment measured at FVTPL	(27.59)	(94.21)
Provision for expected credit loss on investments	43.68	-
Lease rent from investment property	(0.66)	(0.79)
Provision / Expected Credit Loss on financial assets	22.95	13.98
Assets Written off	1.38	-
Write down of inventories	27.74	4.75
Operating profit before working capital changes	424.50	122.63
Changes in Working Capital:		
(Decrease) in Non Financial Liabilities	(847.60)	(406.22)
Increase / (Decrease) in Financial Liabilities	292.38	(35.76)
Decrease in Inventories	268.25	499.25
(Increase) / Decrease in Non Financial Assets	(79.48)	20.05
(Increase) in Financial Assets	(50.74)	(48.29)
	(417.19)	29.03
Taxes paid (Net)	(14.17)	(24.29)
Net cash flows (used in)/ generated from operating activities	(6.86)	127.37
Cash Flow from Investing Activities		
Acquisition of property, plant and equipment, investment property and intangible assets*	(35.37)	(49.85)
Proceeds from sale of property, plant and equipment	0.23	0.52
Purchase of investment in mutual funds (net)	(1,003.38)	(339.53)
(Purchase) / Sale of investments in fixed deposits (net)	(185.89)	5.41
Investment in subsidiaries and joint ventures (refer note 41)	(29.66)	(509.27)
Proceeds from sale of investment in joint ventures	-	0.01
Investment in debentures of joint ventures (refer note 41)	(164.69)	(123.56)
Proceeds from redemption of investments in debt instruments of subsidiaries and joint ventures	147.45	-
Loan (given to) / repaid by subsidiaries and joint ventures (net)	(787.20)	124.48
Loan (given to) others	(1.97)	(8.00)
Expenses on amalgamation	(0.35)	-
Interest received	78.06	253.22
Dividend received	0.00	0.00
Lease rent from investment property	0.66	0.79
Net cash flows (used in) investing activities	(1,982.11)	(645.78)
Cash Flow from Financing Activities		
Proceeds from Issue of Equity Share Capital (net of issue expenses)	2,065.92	999.53
Proceeds from short-term borrowings (net)	216.87	265.49
Interest paid	(299.25)	(293.85)
Payment of unclaimed dividend	(0.01)	(0.00)
Payment of Minimum Lease Liabilities	(5.43)	-
Payment of unclaimed fixed deposits	(0.14)	(0.27)
Net cash flows generated from financing activities	1,977.96	970.90
Net (decrease) / Increase in Cash and Cash Equivalents	(11.01)	452.49
Cash and Cash Equivalents - Opening Balance	(63.11)	(515.60)
Cash and Cash Equivalents - Closing Balance (refer note 55)	(74.12)	(63.11)

INR 0.00 represents amount less than INR 50,000



Godrej Properties Limited

Standalone Statement of Cash Flows (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

Notes :

- (a) The above Standalone 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 Standalone Statement of Cash Flows.

Cash and Cash Equivalents as per the above comprise of the following :

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash and Cash Equivalents (refer note 15)	74.72	112.92
Less: Bank overdrafts repayable on demand (refer note 23)	148.84	176.03
Cash and Cash Equivalents as per the Standalone Statement of Cash Flows	(74.12)	(63.11)

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

Reconciliation of liabilities arising from financing activities				
Particulars	As at April 01, 2019	Changes as per the Standalone Statement of Cash Flows	Non Cash Changes Fair Value Changes	As at March 31, 2020
Long-term borrowings (including current maturities of long-term-debt)	500.00	-	-	500.00
Short-term borrowings	2,835.61	216.87	-	3,052.48

Reconciliation of liabilities arising from financing activities				
Particulars	As at April 01, 2018 (Restated)	Changes as per the Standalone Statement of Cash Flows	Non Cash Changes Fair Value Changes	As at March 31, 2019
Long-term borrowings	500.00	-	-	500.00
Short-term borrowings	2,570.12	265.49	-	2,835.61

- (d) The above Standalone Statement of Cash Flows include INR 2.57 Crore (Previous Year: INR 1.78 Crore) towards Corporate Social Responsibility (CSR) activities (refer note 49).

* During the year, INR 15.02 Crore (Previous Year: INR Nil) of inventories have been transferred to Investment Property and Capital Work-in-Progress.

The accompanying notes 1 to 55 form an integral part of the Standalone Financial Statements.

As per our report of even date.

For BSR & Co. LLP

Chartered Accountants

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

Aniruddha Godbole
Partner

Membership No: 103149

Mumbai
May 11, 2020

Pirojsha Godrej
Executive Chairman
DIN: 00432983

Surender Varma
Company Secretary
ICSI Membership No. A10428

Mumbai
May 11, 2020

For and on behalf of the Board of Directors of
Godrej Properties Limited
CIN: L74120MH1985PLC035308

Mohit Mahotra
Managing Director & CEO
DIN: 07074531

Rajendra Khetawat
Chief Financial Officer

Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2020

(Currency in INR Crore)

Note 1

I. Company overview

Godrej Properties Limited ("the Company") having CIN: L74120MH1985PLC035308 is engaged primarily in the business of real estate construction, development and other related activities. The Company is a public limited company incorporated and domiciled in India having its registered office at Godrej One, 5th Floor, Pirojshahnagar, Eastern Express Highway, Vikhroli, Mumbai - 400079. The Company's equity shares are listed on The Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE).

II. Basis of preparation and measurement

a) Statement of Compliance

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

This is the first set of the Company's standalone financial statements in which IND AS 116, Leases has been applied. Changes to significant accounting policies are described in note 1 (III) (k) and (u) and the impact of transition to IND AS 116 on the standalone financial statements is disclosed in note 40.

The standalone financial statements of the Company for the year ended March 31, 2020 were authorised for issue by the Board of Directors on May 11, 2020.

b) Functional and presentation currency

These standalone 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 crore, unless otherwise stated.

c) Basis of measurement

These financial statements have been prepared on historical cost basis except certain financial instruments, defined benefit plans and share based payments measured at fair value.

d) Use of estimates and judgements

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



Godrej Properties Limited

Notes forming part of standalone financial statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Crore)

Note 1 (*Continued*)

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

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

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

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

Determination of revenue under the satisfaction of performance obligation necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the timing of satisfaction of performance obligation, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The Company recognises revenue when the Company satisfies its performance obligation

- *Evaluation of Net realisable Value of Inventories*

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

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

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

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

- *Recognition and measurement of defined benefit obligations*

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



Godrej Properties Limited

Notes forming part of standalone financial statements (*Continued*) for the year ended March 31, 2020

(Currency in INR Crore)

Note 1 (*Continued*)

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

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

- *Share based payments*

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses Black-Scholes model. The assumptions used for estimating fair value for share-based payment transactions are disclosed in Note 39 to the standalone financial statements.

- *Fair value measurement of financial instruments*

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

- *Impairment losses on investment*

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

- *Recognition of deferred tax asset*

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

- *Provisions and contingencies*

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

e). Standard issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2020.



Godrej Properties Limited

Notes forming part of standalone financial statements (*Continued*) for the year ended March 31, 2020

(Currency in INR Crore)

Note 1 (*Continued*)

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

f) Measurement of fair values

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

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

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

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

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

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

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

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

g) Operating Cycle

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



Godrej Properties Limited

Notes forming part of standalone financial statements (*Continued*) for the year ended March 31, 2020

(Currency in INR Crore)

Note 1 (*Continued*)

III. Significant Accounting Policies

a. Business combination

Common control transactions are accounted for based on pooling of interests method where the assets and liabilities of the acquiree are recorded at their existing carrying values. The identity of reserves of the acquiree is preserved and the difference between consideration and the face value of the share capital of the acquiree is transferred to capital reserve, which is shown separately from other capital reserves. The financial information in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the standalone financial statements irrespective of the actual date of the combination.

b. Property, plant and equipment and depreciation and amortisation

i) Recognition and Measurement:

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

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

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

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

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

ii) Subsequent expenditure

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



Godrej Properties Limited

Notes forming part of standalone financial statements *(Continued)* for the year ended March 31, 2020

(Currency in INR Crore)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

b. Property, plant and equipment and depreciation and amortisation *(Continued)*

iii) Depreciation and amortisation

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

Depreciation on property, plant and equipment of the Company has been provided using the written down value method based on the useful lives specified in Schedule II to the Companies Act, 2013. The useful lives of certain motor vehicles are estimated in the range of 3-8 years and the residual value of certain furniture and fixtures are estimated at 50% of actual cost. These lives are different from those indicated in Schedule II and based on internal technical evaluation.

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

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

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

c. Investment property and depreciation

i) Recognition and measurement:

Investment properties comprises of land and building are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation.

ii) Depreciation

Depreciation on Investment Property is provided using the written down value method based on the useful lives specified in Schedule II to the Companies Act, 2013.

d. Intangible assets and amortisation

i) Recognition and measurement:

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

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and



Godrej Properties Limited

Notes forming part of standalone financial statements (*Continued*) for the year ended March 31, 2020

(Currency in INR Crore)

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

d. Intangible assets and amortisation (*Continued*)

i) Recognition and measurement: (*Continued*)

- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

ii) Subsequent expenditure

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

iii) Amortisation

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

Trademark is amortised over a period of 20 years.

Intangible assets (other than trademark) are amortised over a period of six years.

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

e. Impairment of non-financial assets

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

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment loss is recognised for such excess amount. The impairment loss is recognised as an expense in the standalone 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.

Goodwill on business combination is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired.

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

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



Godrej Properties Limited

Notes forming part of standalone financial statements (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

Note 1 (Continued)

III. Significant Accounting Policies (Continued)

f. 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 standalone financial statements are recognised in the standalone statement of profit and loss in the period in which they arise.

g. Investment in subsidiaries, joint ventures and associate

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

h. Financial instruments

1. Financial assets

Classification

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

Initial recognition and measurement

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

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



Godrej Properties Limited

Notes forming part of standalone financial statements (*Continued*) for the year ended March 31, 2020

(Currency in INR Crore)

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

h. Financial instruments (*Continued*)

I. Financial assets (*Continued*)

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

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

Debt instruments at Fair Value through Profit or Loss

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



Godrej Properties Limited

Notes forming part of standalone financial statements *(Continued)* for the year ended March 31, 2020

(Currency in INR Crore)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

h. Financial Instruments *(Continued)*

1. Financial assets *(Continued)*

Equity investments

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

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

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

Derecognition

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

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

Impairment of financial assets

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

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

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



Godrej Properties Limited

Notes forming part of standalone financial statements (*Continued*) for the year ended March 31, 2020

(Currency in INR Crore)

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

h. Financial instruments (*Continued*)

II. Financial Liabilities

Classification

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

Initial recognition and measurement

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

Loans and borrowings

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

III Offsetting of financial instruments

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

IV Share Capital

Ordinary equity shares

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



Godrej Properties Limited

Notes forming part of standalone financial statements *(Continued)* for the year ended March 31, 2020

(Currency in INR Crore)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

h. Financial instruments *(Continued)*

IV Share Capital *(Continued)*

Treasury shares

The Company has created an Employee Stock Options Trust (ESOP) for providing share-based payment to its employees. The Company uses ESOP as a vehicle for distributing shares to employees under the employee remuneration schemes. The ESOP buys shares of the Company from the market, for giving shares to employees. The Company treats ESOP as its extension and shares held by ESOP are treated as treasury shares.

Treasury shares are recognised at cost and deducted from equity. No gain or loss is recognised in the standalone statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting period are deducted from treasury shares.

i. Inventories

Inventories are valued as under:

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

Costs are determined 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.



Godrej Properties Limited

Notes forming part of standalone financial statements (*Continued*) for the year ended March 31, 2020

(Currency in INR Crore)

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

j. Revenue Recognition

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

The Company recognises revenue when it determines the satisfaction of performance obligations at a point in time and subsequently over time when the Company has enforceable right for payment for performance completed to date. Revenue is recognised upon transfer of control of promised products to customer in an amount that reflects the consideration which the Company expects to receive in exchange for those products.

In arrangements for sale of units the Company has applied the guidance in IND AS 115, on "Revenue from contracts with customers", by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering sale of units as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

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

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

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

The Company receives maintenance amount from the customers and utilises the same towards the maintenance of the respective projects. Revenue is recognised to the extent of maintenance expenses incurred by the Company towards maintenance of respective projects. Balance amount of maintenance expenses to be incurred is reflected as liability under the head other current liabilities.

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.

Dividend income and share of profits in LLP

Dividend income and share of profits in LLP is recognised when the right to receive the same is established.



Godrej Properties Limited

Notes forming part of standalone financial statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Crore)

Note 1 *(Continued)*

III. Significant Accounting Policies *(Continued)*

k. Leases

Policy applicable before April 01, 2019

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

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

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

Policy applicable after April 01, 2019

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

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

As a Lessee

Right-of-use Asset

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



Godrej Properties Limited

Notes forming part of standalone financial statements (*Continued*) for the year ended March 31, 2020

(Currency in INR Crore)

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

k. Leases (*continued*)

Lease Liability

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

Short-term lease and leases of low-value assets

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

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

l. Income tax

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

Current tax

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

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

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



Godrej Properties Limited

Notes forming part of standalone financial statements (*Continued*) for the year ended March 31, 2020

(Currency in INR Crore)

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

I. Income tax (*Continued*)

Deferred tax

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

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

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

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

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

Deferred tax assets and liabilities are offset only if:

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

Minimum Alternative Tax (MAT)

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



Godrej Properties Limited

Notes forming part of standalone financial statements (*Continued*) for the year ended March 31, 2020

(Currency in INR Crore)

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

m. Employee benefits

Short term employee benefits

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

Defined contribution plans

Obligations for contributions to defined contribution plans such as Provident Fund and Employee State Insurance Corporations are expensed as the related service is provided.

Defined benefit plans

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

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

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

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

Other long-term employee benefits

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



Godrej Properties Limited

Notes forming part of standalone financial statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Crore)

Note 1 (*Continued*)

III. Significant Accounting Policies (*Continued*)

n. Share-based payment transactions

Employees Stock Options Plans ("ESOPs") and Employee Stock Grant Scheme ("ESGS"): The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under "Employee stock grant scheme reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest.

o. Borrowing costs

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

Borrowing costs, pertaining to development of long term projects, are transferred to Construction work in progress, as part of the cost of the projects till the time all the activities necessary to prepare these projects for its intended use or sale are complete.

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

p. Cash and cash equivalents

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

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

q. Earnings per share

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



Godrej Properties Limited

Notes forming part of standalone financial statements (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

Note 1 (Continued)

III. Significant Accounting Policies (Continued)

r Provisions and contingent liabilities

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

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

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

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

s. 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 standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

t. Segment reporting

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

u. Change in significant accounting policies

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

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



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Crore)

2 Property, Plant and Equipment

Particulars	GROSS BLOCK		ACCUMULATED DEPRECIATION/ AMORTISATION		NET BLOCK	
	As at April 01, 2019	Additions during the year	Deductions during the year	As at March 31, 2020	For the Year	As at March 31, 2020
Tangible Assets						
Freehold Land	0.06	-	-	0.06	-	0.06
Buildings (refer note (a) below)	74.06	-	-	74.06	2.99	58.45
Leasehold Improvements	5.14	0.18	-	5.32	1.23	0.76
Office Equipments	3.12	0.42	0.17	3.37	0.48	0.89
Site Equipments	0.15	0.56	0.01	0.70	0.16	0.51
Furniture and Fixtures	12.46	3.05	0.69	14.82	1.49	8.83
Computers	14.08	2.95	0.74	16.29	2.68	3.53
Vehicles	4.28	0.62	0.54	4.36	0.81	0.70
Electrical Installations and Equipments	0.64	0.00	-	0.64	0.07	0.20
Plant and Machinery	-	10.03	-	10.03	1.16	8.87
Total Property, Plant and Equipment	113.99	17.81	2.15	129.65	11.07	81.89

INR 0.00 represents amount less than INR 50,000



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Crore)

2 Property, Plant and Equipment (Continued)

Particulars	As at April 01, 2018 (Restated)	GROSS BLOCK Additions during the year	Deductions during the year	As at March 31, 2019	ACCUMULATED DEPRECIATION/AMORTISATION As at April 01, 2018 (Restated)	For the Year	Inductions	As at March 31, 2019	NET BLOCK As at March 31, 2019	As at March 31, 2018 (Restated)
Tangible Assets										
Freehold Land	0.06	-	-	0.06	-	-	-	-	0.06	0.06
Buildings (refer note (a) below)	82.06	-	8.00	74.06	9.90	3.33	0.61	12.62	61.44	72.16
Leasehold Improvements	4.34	0.30	-	5.14	2.38	0.95	-	3.33	1.81	1.96
Office Equipments	2.97	0.54	0.39	3.12	2.10	0.43	0.37	2.16	0.96	0.87
Site Equipments	0.01	0.14	-	0.15	-	0.03	-	0.03	0.12	0.01
Furniture and Fixtures	12.13	1.06	0.73	12.46	4.48	1.28	0.63	5.13	7.33	7.65
Computers	12.21	2.53	0.66	14.08	8.42	2.98	0.62	10.78	3.30	3.79
Vehicles	4.00	0.80	0.52	4.28	3.08	0.74	0.45	3.37	0.91	0.92
Electrical Installations and Equipments:	1.03	-	0.39	0.64	0.38	0.13	0.14	0.37	0.27	0.65
Total Property, Plant and Equipment	118.81	5.87	10.69	113.99	50.74	9.87	2.82	37.79	76.20	88.07

(a) Of the above, a Building carrying value INR 51.11 Crore (Previous Year INR 53.74 Crore) is subject to first charge for secured bank loans (refer note 23).



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Crore)

3 Capital work-in-progress

Particulars	Property, Plant and Equipment		Investment Property		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Opening capital work in progress	2.90	-	0.14	-	3.04	-
Add: Addition during the year	-	2.90	1.64	0.14	1.64	3.04
Add: Transferred from Inventories (refer note (b) below)	-	-	9.76	-	9.76	-
Less: Capitalised during the year	2.90	-	-	-	2.90	-
Closing capital work in progress	-	2.90	11.54	0.14	11.54	3.04

(a) The Company's investment property under construction consists of some commercial and retail properties in India

(b) Based on the intention and business plans, some commercial and retail properties owned by the Company is considered as being held for capital appreciation and rental income rather than for business purposes. Hence, the Company has reclassified the same from inventories to investment property under construction during the year ended March 31, 2020.

(c) The Company has no restriction on the realisability of its investment property under construction.

(d) Though the Company measures investment property under construction using cost based measurement, the fair value of investment property is based on valuation performed by an accredited independent valuer. The main inputs used are location and locality, facilities and amenities, quality of construction, residual life of building, business potential, supply and demand, local nearby enquiry, market feedback of investigation and Ready Reckoner published by the Government.

(e) Fair valuation is based on Sales Comparison method which is INR 21.78 Crore. The fair value measurement is categorised in level 3 fair value hierarchy.

(f) Refer note 45 for disclosure of Capital Commitments for acquisition of property, plant and equipment.



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Crore)

4 Investment Property

Reconciliation of Carrying Amount

Particulars	Amount
Gross Block	
As at April 01, 2018 (Restated)	2.60
Add: Additions during the year	-
Less: Disposals/Adjustments	-
As at March 31, 2019	2.60
Add: Additions during the year	2.56
Add: Transferred from Inventories (refer note (b) below)	5.26
Less: Disposals/Adjustments	-
As at March 31, 2020	10.42
Accumulated Depreciation	
As at April 01, 2018 (Restated)	0.12
Add: For the Year	0.28
Less: Deductions during the year	-
As at March 31, 2019	0.40
Add: For the Year	0.23
Less: Deductions during the year	-
As at March 31, 2020	0.63
Net Block	
As at March 31, 2019	2.20
As at March 31, 2020	9.79

Information regarding income and expenditure of Investment Property

Particulars	March 31, 2020	March 31, 2019
Rental Income derived from Investment Property	0.66	0.79
Direct Operating Expenses	-	-
Profit arising from investment property before depreciation	0.66	0.79
Less: Depreciation	0.23	0.28
Profit arising from Investment Property	0.43	0.51

- The Company's investment property consists of some commercial and retail properties in India.
- Based on the intention and business plans, a commercial and retail building owned by the Company is considered as being held for capital appreciation and rental income rather than for business purposes. Hence, the Company has reclassified the same from inventories to investment property during the year ended March 31, 2020.
- The Company has no restriction on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.
- Though the Company measures investment property using cost based measurement, the fair value of investment property is based on valuation performed by an accredited independent valuer. The main inputs used are location and locality, facilities and amenities, quality of construction, residual life of building, business potential, supply and demand, local nearby enquiry, market feedback of investigation and Ready Reckoner published by the Government.
- Fair valuation of Retail Properties is based on Sales Comparison Method which is INR 11.40 Crore (Previous Year: INR Nil) and Commercial Properties is based on Rent Capitalisation Method, which is INR 9.38 Crore (Previous Year: INR 9.46 Crore). The fair value measurement is categorised in level 3 fair value hierarchy.



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) as at March 31, 2020

(Currency in INR Crore)

5 Intangible Assets and Intangible Assets under Development

Particulars	GROSS BLOCK		ACCUMULATED AMORTISATION		NET BLOCK	
	As at April 01, 2019	Additions during the year	Deductions during the year	As at March 31, 2020	As at April 01, 2019	As at March 31, 2020
Intangible Assets						
Licenses and Software	9.44	1.68	0.02	11.10	6.14	1.34
Trade Mark	24.53	-	-	24.53	5.40	1.35
Total Intangible Assets	33.97	1.68	0.02	35.63	11.54	2.69
Total					14.21	21.42
Intangible assets under development (refer note (a) below)						2.05
Total						0.77

Particulars	GROSS BLOCK		ACCUMULATED AMORTISATION		NET BLOCK	
	As at April 01, 2018 (Restated)	Additions during the year	Deductions during the year	As at March 31, 2019	As at April 01, 2018 (Restated)	As at March 31, 2018 (Restated)
Intangible Assets						
Licenses and Software	9.15	0.29	-	9.44	4.52	1.62
Trade Mark	24.53	-	-	24.53	4.05	1.35
Total Intangible Assets	33.68	0.29	-	33.97	8.57	2.97
Total					11.54	22.43
Intangible assets under development						0.77
Total						0.13

(a) Refer note 45 for disclosure of Capital Commitments for acquisition of intangible assets under development.



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) as at March 31, 2020

(Currency in INR Crore)

	March 31, 2020	March 31, 2019
6 Investment in Subsidiaries, Joint Ventures and Associate		
a) Investment in Equity Instruments (Fully Paid-up unless stated otherwise) (Unquoted)		
(i) Investment in Subsidiary Companies		
Godrej Projects Development Limited	248.69	248.69
231,552 (Previous Year: 231,552) Equity Shares of INR 10/- each		
Godrej Garden City Properties Private Limited	0.05	0.05
50,000 (Previous Year: 50,000) Equity Shares of INR 10/- each		
Godrej Hillside Properties Private Limited	0.41	0.41
410,000 (Previous Year: 410,000) Equity Shares of INR 10/- each		
Godrej Home Developers Private Limited	0.40	0.40
400,000 (Previous Year: 400,000) Equity Shares of INR 10/- each		
Godrej Highrises Properties Private Limited	0.01	0.01
10,000 (Previous Year: 10,000) Equity Shares of INR 10/- each		
Godrej Prakriti Facilities Private Limited	0.01	0.01
10,000 (Previous Year: 10,000) Equity Shares of INR 10/- each		
Prakritiplaza Facilities Management Private Limited	0.01	0.01
9,999 (Previous Year: 9,999) Equity Shares of INR 10/- each		
Citystar Infraprojects Limited	0.09	0.09
500,000 (Previous Year: 500,000) Equity Shares of INR 1/- each		
Godrej Residency Private Limited	0.00	0.00
1,000 (Previous Year: 1,000) Equity Shares of INR 10/- each		
Godrej Properties Worldwide Inc., USA	3.39	3.39
500,000 (Previous Year: 500,000) Equity Shares of USD 1/- each		
Cecar Lifespaces Private Limited (w.e.f. March 20, 2020)	0.01	-
10,000 (Previous Year: Nil) Equity Shares of INR 10/- each		
Wonder Space Properties Private Limited (Classified as Joint Venture upto April 04, 2019)		
300,977 (Previous Year: Nil) Class A Equity Shares of INR 10/- each	3.86	-
104,431 (Previous Year: Nil) Class B Equity Shares of INR 10/- each	1.60	-
10,651 (Previous Year: Nil) Class C Equity Shares of INR 10/- each	0.14	-
38,887 (Previous Year: Nil) Ordinary Equity Shares of INR 10/- each	0.60	-

INR 0.00 represents amount less than INR 50,000



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Crore)

	March 31, 2020	March 31, 2019
6 Investment in Subsidiaries, Joint Ventures and Associate (Continued)		
a) Investment in Equity Instruments (Fully Paid-up unless stated otherwise) (Unquoted) (Continued)		
(ii) Investment in Joint Ventures		
Godrej Realty Private Limited	5.52	5.52
884,850 (Previous Year: 884,850) Equity Shares of INR 10/- each		
Wonder Space Properties Private Limited (Classified as Subsidiary w.e.f. April 05, 2019)		1.78
Nil (Previous Year: 114,191) Class B and Ordinary Equity Shares of INR 10/- each		
Wonder City Buildcon Private Limited		1.61
810,420 (Previous Year: 810,420) Equity Shares of INR 10/- each		
Godrej Home Constructions Private Limited		2.18
1,071,770 (Previous Year: 1,071,770) Equity Shares of INR 10/- each		
Wonder Projects Development Private Limited	1.45	1.45
1,070,060 (Previous Year: 1,070,060) Equity Shares of INR 10/- each		
Godrej Real View Developers Private Limited	2.43	2.25
2,140,000 (Previous Year: 2,068,000) Equity Shares of INR 10/- each		
Pearlite Real Properties Private Limited	4.19	4.19
3,871,000 (Previous Year: 3,871,000) Equity Shares of INR 10/- each		
Godrej Greenview Housing Private Limited	1.37	1.37
1,264,560 (Previous Year: 1,264,560) Equity Shares of INR 10/- each		
Godrej Green Homes Private Limited (formerly known as Godrej Green Homes Limited)	83.18	79.38
360,813 (Previous Year: 355,384) Equity Shares of INR 10/- each		
Ashank Macbricks Private Limited (w.e.f. July 31, 2018)	2.30	0.00
1,675,000 (Previous Year: 200) Equity Shares of INR 10/- each		
Yujya Developers Private Limited (w.e.f. December 02, 2019)	7.24	-
7,241,360 (Previous Year: Nil) Equity Shares of INR 10/- each		
Vivrut Developers Private Limited (w.e.f. February 10, 2020)	0.70	-
700,000 (Previous Year: Nil) Equity Shares of INR 10/- each		
(iii) Investment in Associate		
Godrej One Premises Management Private Limited	0.00	0.00
3,000 (Previous Year: 3,000) Equity Shares of INR 10/- each		
b) Investment in Preference Shares (Fully paid-up unless stated otherwise) (at Fair Value through Profit or Loss) (Unquoted)		
(i) Investment in Subsidiary Companies		
Godrej Projects Development Limited	0.10	0.10
100,999 (Previous Year: 100,999) 7% Redeemable Non-cumulative Preference Shares of INR 10/- each		
Godrej Highrises Properties Private Limited	0.01	0.01
9,470 (Previous Year: 9,470) 7% Redeemable Non-cumulative Preference Shares of INR 10/- each		

INR 0.00 represents amount less than INR 50,000



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) as at March 31, 2020

(Currency in INR Crore)

March 31, 2020 March 31, 2019

6 Investment in Subsidiaries, Joint Ventures and Associate (Continued)

c) Investment in Limited Liability Partnerships

(i) Investment in Subsidiaries

Godrej Highrises Realty LLP	0.00	0.00
Godrej Project Developers & Properties LLP	0.00	0.00
Godrej Athenmark LLP	0.00	0.00
Godrej Vestamark LLP (Classified as Joint Venture w.e.f. May 03, 2019)	-	0.00
Godrej Skyview LLP	0.00	0.00
Godrej Projects (Soma) LLP	0.00	0.00
Godrej Projects North LLP	0.00	0.00
Embellish Houses LLP (w.e.f. February 13, 2019)	0.04	0.00
Godrej City Facilities Management LLP (w.e.f. March 18, 2019)	0.00	0.00
Ashank Realty Management LLP (w.e.f. May 30, 2019)	0.00	-
Godrej Florentine LLP (w.e.f. June 21, 2019)	0.00	-
Godrej Olympia LLP (w.e.f. June 21, 2019)	0.00	-
Ashank Facility Management LLP (w.e.f. July 09, 2019)	0.00	-

(ii) Investment in Joint Ventures

Mosaic Landmarks LLP	0.11	0.11
Caroa Properties LLP	0.04	0.04
Oxford Realty LLP	0.00	0.00
A R Landcraft LLP	0.05	0.05
Dream World Landmarks LLP	0.04	0.04
M S Ramaiah Ventures LLP	1.01	1.01
Godrej Developers & Properties LLP	0.00	0.00
Oasis Landmarks LLP	0.00	0.00
Godrej SSPDL Green Acres LLP	0.05	0.05
Godrej Amitis Developers LLP (formerly known as Amitis Developers LLP)	0.05	0.05
Godrej Construction Projects LLP	0.00	0.00
Bavdhan Realty @ Pune 21 LLP	0.00	0.00
Godrej Housing Projects LLP	0.01	0.01
Godrej Projects North Star LLP	0.01	0.01
Manyata Industrial Parks LLP (w.e.f. April 22, 2019)	0.01	-
Manjari Housing Projects LLP (w.e.f. February 01, 2019)	205.00	205.00
Prakhhyat Dwellings LLP	0.01	0.00
Godrej Highview LLP	4.80	4.80
Godrej Irismark LLP	0.01	0.01
Roseberry Estate LLP (w.e.f. September 18, 2018)	0.00	0.00
Mahalunge Township Developers LLP (w.e.f. February 01, 2019)	206.11	200.00
Maan-Hinge Township Developers LLP (w.e.f. February 01, 2019)	93.86	89.00
Godrej Property Developers LLP	-	0.00
Godrej Vestamark LLP (Classified as Subsidiary upto May 02, 2019)	0.00	-
Universal Metro Properties LLP (w.e.f. December 02, 2019)	0.00	-
Godrej Odyssey LLP (w.e.f. September 26, 2019)	0.00	-

878.97 853.10

Aggregate amount of Unquoted Investments

878.97 853.10

INR 0.00 represents amount less than INR 50,000



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Crore)

	March 31, 2020	March 31, 2019
7 Other Investments (Non-Current)		
a) Trade Investments (Unquoted)		
(i) Investment in Debentures of Subsidiaries (Fully paid-up) (at Amortized Cost)		
Wonder Space Properties Private Limited (Classified as Joint Venture upto April 04, 2019) 1,087,876 (Previous Year: Nil) 12% Unsecured Optionally Convertible Class A Debentures of INR 1,000/- each	122.46	-
Wonder Space Properties Private Limited (Classified as Joint Venture upto April 04, 2019) 377,464 (Previous Year: Nil) 12% Unsecured Optionally Convertible Class B Debentures of INR 1,000/- each	37.75	-
Wonder Space Properties Private Limited (Classified as Joint Venture upto April 04, 2019) 38,498 (Previous Year: Nil) 12% Unsecured Optionally Convertible Class C Debentures of INR 1,000/- each	4.34	-
(ii) Investment in Debentures of Joint Ventures (Fully paid-up) (at Fair Value through Profit or Loss)		
Godrej Realty Private Limited 2,989,095 (Previous Year: 2,989,095) 1% Secured Redeemable Optionally Convertible Debentures of INR 10/- each	2.99	2.99
Godrej Green Homes Private Limited (formerly known as Godrej Green Homes Limited) 3,318,000 (Previous Year: 3,166,000) 12 % Unsecured Optionally Convertible Debentures of INR 1,000/- each	331.80	316.60
Yujya Developers Private Limited 2,172,348 (Previous Year: Nil) 12% Unsecured Optionally Convertible Debentures of INR 1,000/- each	21.69	-
Vivrut Developers Private Limited 21,000 (Previous Year: Nil) 12% Unsecured Optionally Convertible Debentures of INR 1,000/- each	2.10	-
(iii) Investment in Debentures of Joint Ventures (Fully paid-up) (at Amortised Cost)		
Wonder City Buildcon Private Limited 307,833 (Previous Year: 307,833) 12% (Previous Year: 17.45%) Unsecured Compulsorily Convertible Debentures of INR 1,000/- each	12.28	30.40
Wonder Space Properties Private Limited (Classified as Subsidiary w.e.f. April 05, 2019) Nil (Previous Year: 1,019,154) 12% Unsecured Optionally Convertible Class A Debentures of INR 1,000/- each	-	115.58
Wonder Space Properties Private Limited (Classified as Subsidiary w.e.f. April 05, 2019) Nil (Previous Year: 377,464) 12% Unsecured Optionally Convertible Class B Debentures of INR 1,000/- each	-	37.75
Wonder Space Properties Private Limited (Classified as Subsidiary w.e.f. April 05, 2019) Nil (Previous Year: 38,498) 12% Unsecured Optionally Convertible Class C Debentures of INR 1,000/- each	-	4.34



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Crore)

	March 31, 2020	March 31, 2019
7 Other Investments (Non-Current) (Continued)		
a) Trade Investments (Unquoted) (Continued)		
(iii) Investment in Debentures of Joint Ventures (Fully paid-up) (at Amortised Cost) (Continued)		
Godrej Home Constructions Private Limited	18.26	41.46
413,949 (Previous Year: 413,949) 12% (Previous Year: 17.45%) Unsecured Compulsorily Convertible Debentures of INR 1,000/- each		
Wonder Projects Development Private Limited	23.48	27.58
275,500 (Previous Year: 275,500) 12% (Previous Year: 17%) Unsecured Compulsorily Convertible Debentures of INR 1,000/- each		
Pearlite Real Properties Private Limited	7.04	81.04
73,500 (Previous Year: 796,005) 12% (Previous Year: 17%) Unsecured Compulsorily Convertible Debentures of INR 1,000/- each		
Godrej Real View Developers Private Limited	43.45	42.16
461,700 (Previous Year: 427,500) 12% (Previous Year: 17%) Unsecured Compulsorily Convertible Debentures of INR 1,000/- each		
Godrej Greenview Housing Private Limited	24.94	25.27
260,946 (Previous Year: 260,946) 12% (Previous Year: 17.45%) Unsecured Compulsorily Convertible Debentures of INR 1,000/- each		
Ashank Macbricks Private Limited	43.94	-
437,000 (Previous Year: Nil) 12% Unsecured Compulsorily Convertible Debentures of INR 1,000/- each		
b) Non trade Investments		
Investment in Fully paid-up Equity Instruments (at Fair Value through Profit or Loss)		
Quoted Investments		
Alacrity Housing Limited	-	0.00
Nil (Previous Year: 100) Equity Shares of INR 10/- each		
Ansal Buildwell Limited	0.00	0.00
100 (Previous Year: 100) Equity Shares of INR 10/- each		
Ansal Housing Limited	0.00	0.00
300 (Previous Year: 300) Equity Shares of INR 10/- each		
Ansal Properties and Infrastructure Limited	0.00	0.00
600 (Previous Year: 600) Equity Shares of INR 5/- each		
Unitech Limited	0.00	0.00
13,000 (Previous Year: 13,000) Equity Shares of INR 2/- each		
The Great Eastern Shipping Company Limited	0.00	0.00
72 (Previous Year: 72) Equity Shares of INR 10/- each		
Radhe Developers (India) Limited	0.00	0.00
100 (Previous Year: 100) Equity Shares of INR 10/- each		
United Textiles Limited	0.00	0.00
23,700 (Previous Year: 23,700) Equity Shares of INR 10/- each		

INR 0.00 represents amount less than INR 50,000



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) as at March 31, 2020

(Currency in INR Crore)

	March 31, 2020	March 31, 2019
7 Other Investments (Non-Current) (Continued)		
b) Non trade Investments (Continued)		
Unquoted Investments		
Saraswat Co-operative Bank Limited	0.00	0.00
1,000 (Previous Year: 1,000) Equity Shares of INR 10/- each		
AB Corp. Limited	0.00	0.00
25,000 (Previous Year: 25,000) Equity Shares of INR 10/- each		
Lok Housing and Constructions Limited	0.00	0.00
100 (Previous Year: 100) Equity Shares of INR 10/- each		
Global Infrastructure & Technologies Limited	0.00	0.00
100 (Previous Year: 100) Equity Shares of INR 10/- each		
Premier Energy and Infrastructure Limited	0.00	0.00
100 (Previous Year: 100) Equity Shares of INR 10/- each		
D.S. Kulkarni Developers Limited	0.00	0.00
100 (Previous Year: 100) Equity Shares of INR 10/- each		
GOL Offshore Limited	0.00	0.00
18 (Previous Year: 18) Equity Shares of INR 10/- each		
Modella Textiles Private Limited	0.00	0.00
2 (Previous Year: 2) Equity Shares of INR 100/- each		
Lotus Green Construction Private Limited	0.00	0.00
1 (Previous Year: 1) Equity Shares of INR 10/- each		
Alacrity Housing Limited	0.00	-
100 (Previous Year: Nil) Equity Shares of INR 10/- each		
	696.52	725.18
Less: Provision for expected credit loss on investments	(10.50)	-
	686.02	725.18
 Aggregate amount of Quoted Investments and Market Value thereof	 0.00	 0.00
Aggregate amount of Unquoted Investments	696.52	725.18
Aggregate amount of Provision for expected credit loss on investments	10.50	-
 INR 0.00 represents amount less than INR 50,000		



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) as at March 31, 2020

(Currency in INR Crore)

	March 31, 2020	March 31, 2019
8 Loans (Non-Current)		
<i>To parties other than related parties</i>		
Secured, Considered Good		
Deposits - Projects (refer note (a) below)	26.33	28.57
	<u>26.33</u>	<u>28.57</u>
(a) Secured Deposits - Projects are Secured against Terms of Development Agreements.		
9 Other Non-Current Financial Assets		
Unsecured, Considered Good		
Deposit With Banks (refer note (a) below)	2.99	-
	<u>2.99</u>	<u>-</u>
(a) Fixed deposits held as margin money and lien marked for issuing bank guarantees amounting to INR 2.91 Crore (Previous Year: INR Nil).		



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Crore)

10 Deferred Tax Assets and Tax Expense

a) Amounts recognised in the Standalone statement of profit and loss

Particulars	March 31, 2020	March 31, 2019
Current Tax	29.61	(8.90)
Current Tax	29.59	-
Tax Adjustment of Prior Years	0.02	(8.90)
Deferred Tax Charge/ (Credit)	169.76	84.53
Deferred Tax		
Origination and reversal of temporary difference	183.78	78.89
MAT Credit (Utilisation) / Entitlement	(14.02)	5.64
Tax Expense for the year	199.37	75.63

b) Movement in Deferred Tax Balances

Particulars	Balance as at April 01, 2019	Recognised in Profit or Loss	Movement during the year Recognised in OCI	Recognised in Other Equity	Others	Balance as at March 31, 2020
Deferred Tax Assets/ (Liabilities)						
Property, Plant and Equipment (including Right-of-use-Asset)	0.99	(0.67)	-	0.54	-	0.86
Brought Forward Loss	319.90	(169.53)	-	-	-	150.37
Inventories	18.25	-	-	-	-	18.25
Unabsorbed Depreciation	5.17	(5.17)	-	-	-	-
Employee Benefits	5.42	0.56	0.36	-	-	6.34
Equity-settled share-based payments	1.85	0.24	-	-	-	2.09
MAT Credit	19.75	(14.02)	-	-	-	5.73
Investments	(12.63)	7.87	-	-	-	(4.76)
Provision for doubtful assets	8.31	8.26	-	-	-	16.57
Other Items	7.03	2.70	-	-	(0.21)	9.52
Deferred Tax Assets/ (Liabilities)	374.04	(169.76)	0.36	0.54	(0.21)	204.97

Particulars	Balance as at April 01, 2018 (Restated)	Recognised in Profit or Loss	Movement during the year Recognised in OCI	Recognised in Other Equity	Others	Balance as at March 31, 2019
Deferred Tax Assets/ (Liabilities)						
Property, Plant and Equipment	(1.02)	2.01	-	-	-	0.99
Brought Forward Loss	418.76	(98.86)	-	-	-	319.90
Inventories	18.25	-	-	-	-	18.25
Unabsorbed Depreciation	-	5.17	-	-	-	5.17
Employee Benefits	6.21	(0.96)	0.17	-	-	5.42
Equity-settled share-based payments	1.63	0.22	-	-	-	1.85
MAT Credit	14.10	5.64	-	-	0.01	19.75
Investments	(3.69)	(8.94)	-	-	-	(12.63)
Provision for doubtful receivables	0.11	8.20	-	-	-	8.31
Other Items	4.04	2.99	-	-	-	7.03
Deferred Tax Assets/ (Liabilities)	458.39	(84.53)	0.17	-	0.01	374.04



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) as at March 31, 2020

(Currency in INR Crore)

10 Deferred Tax Assets and Tax Expense (Continued)

c) Reconciliation of Effective Tax Rate

Particulars	March 31, 2020	March 31, 2019
Profit Before Tax	512.19	284.98
Tax using the Company's domestic tax rate 34.944% (Previous Year: 34.944%)	178.98	99.58
Tax effect of:		
Non-deductible expenses	15.79	0.84
Tax-exempt income	21.74	(2.65)
Change in recognised deductible temporary differences	(7.87)	(8.70)
Rate difference	-	0.03
Income / Expense offered in tax books	(9.21)	-
Adjustment for tax of prior years	0.02	(8.90)
MAT credit of previous year recognised in current year	-	(5.64)
Other adjustments	(0.08)	1.07
Tax expense recognised	199.37	75.63

- d) The Company has recognised deferred tax asset to the extent that the same will be recoverable using the estimated future taxable income based on the approved business plans and budgets of the Company. The Company is expected to generate taxable income from the financial year ended March 31, 2020 onwards. The business losses can be carried forward for a period of 8 years as per the tax regulations and the Company expects to recover the losses.
- e) A new Section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance, 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section. The Company has decided to continue with the existing tax structure for the year ended March 31, 2020.
- f) Deferred tax assets amounting to INR 15.26 Crore have not been recognised in respect of provision for expected credit loss on investments due to uncertainty as at the current date with respect to future realisation.
- g) On March 30, 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 Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) as at March 31, 2020

(Currency in INR Crore)

	March 31, 2020	March 31, 2019
11 Other Non-Current Non Financial Assets		
Unsecured, Considered Good		
Capital advances	37.56	56.61
	<u>37.56</u>	<u>56.61</u>
12 Inventories (Valued at lower of Cost and Net Realisable Value)		
Finished Goods	310.75	71.37
Construction Work in Progress (refer note 52)	936.67	1,508.73
	<u>1,247.42</u>	<u>1,580.10</u>
13 Investments		
Unquoted		
Investment in Mutual Funds carried at Fair Value through Profit or Loss	1,997.65	887.68
	<u>1,997.65</u>	<u>887.68</u>
Aggregate amount of Unquoted Investments	1,997.65	887.68
14 Trade Receivables		
To related parties		
Unsecured, Considered Good (refer note (a) below)	23.60	33.39
To parties other than related parties		
Unsecured, Considered Good	115.52	70.24
Unsecured, Credit Impaired	30.90	23.45
Less: Allowance for Credit Risk	(30.90)	(23.45)
	<u>139.12</u>	<u>103.63</u>
(a) Includes entity where directors are interested, viz Godrej Industries Limited INR 0.03 Crore (Previous Year: INR Nil).		
15 Cash and Cash Equivalents		
Balances With Banks (refer note 55)		
In Current Accounts	10.07	42.04
In Fixed Deposit Accounts with original maturity less than 3 months	55.60	66.11
Cheques On Hand	9.02	4.75
Cash On Hand	0.03	0.02
	<u>74.72</u>	<u>112.92</u>



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) as at March 31, 2020

(Currency in INR Crore)

March 31, 2020 March 31, 2019

16 Bank Balances other than above

Balances With Banks (refer note 55)

In Current Accounts (refer note (a) below)	0.97	0.51
In Fixed Deposit Accounts with maturity more than 3 months but less than 12 months (refer note (b) below)	351.59	168.69

352.56	169.20
--------	--------

(a) Includes

(i) Balances with Banks in current accounts includes INR 0.03 Crore (Previous Year: INR 0.04 Crore) is on account of earmarked balance for unclaimed dividend.

(ii) Balances with Banks in current accounts includes INR 0.54 Crore (Previous Year: INR 0.47 Crore) is amount received from flat buyers towards maintenance charges.

(b) Includes

(i) INR 40.01 Crore (Previous Year: INR 2.18 Crore) received from flat buyers and held in trust on their behalf in a corpus fund and towards maintenance charges.

(ii) Deposits held as Deposit Repayment Reserve amounting to INR 0.10 Crore (Previous Year: INR 0.10 Crore).

(iii) Fixed deposits held as margin money and lien marked for issuing bank guarantees amounting to INR 0.19 Crore (Previous Year: INR 0.23 Crore).

17 Loans (Current)

Secured, Considered Good

To related parties

Loan to Related Party (refer note (a) below)	-	7.50
--	---	------

To parties other than related parties

Deposits - Projects (refer note (b) below)	189.63	212.14
--	--------	--------

Unsecured, Considered Good

To related parties

Loan to Related Parties	2,788.97	1,809.43
-------------------------	----------	----------

To parties other than related parties

Loan to others	14.86	12.88
Recoverable from projects	18.82	22.02

3,012.28	2,063.97
----------	----------

(a) Loan to related party represents loan given to Prakhhyat Dwelling LLP INR Nil (Previous Year: INR 7.50 Crore), a joint venture of the Company and is secured against immovable property of the LLP.

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



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) as at March 31, 2020

(Currency in INR Crore)

	March 31, 2020	March 31, 2019
18 Other Current Financial Assets		
Unsecured, Considered Good		
<i>To related parties</i>		
Receivable from LLPs	37.02	34.75
Interest Accrued	444.02	288.84
Deposits - Others (refer note (a) below)	1.91	1.90
Others (includes expenses recoverable etc.)	26.27	-
<i>To parties other than related parties</i>		
Deposits - Others	44.40	23.00
Interest Accrued	28.15	10.60
Others (includes expenses recoverable etc.)	0.15	16.69
	581.92	375.78

- (a) Represents entities where directors are interested, viz Godrej Industries Limited INR 0.36 Crore (Previous Year: INR 0.36 Crore), Annamudi Real Estates LLP INR 1.51 Crore (Previous Year: INR 1.51 Crore) and Godrej One Premises Management Private Limited INR 0.04 Crore (Previous Year: INR 0.03 Crore).

19 Other Current Non Financial Assets

Secured, Considered Good

To parties other than related parties

Advance to Suppliers and Contractors (refer note (a) below)	1.35	5.79
---	------	------

Unsecured, Considered Good

To related parties

Unbilled Revenue (refer note (b) below)	1.49	0.20
---	------	------

To parties other than related parties

Unbilled Revenue	128.43	57.28
Balances with Government Authorities	28.51	66.58
Advance to Suppliers and Contractors	18.01	40.53
Prepayments	1.38	1.85
Advance for Land, Development Rights and Flats	144.40	29.13
Others (includes deferred brokerage etc.)	14.49	22.60
	338.06	223.96

- (a) Advance to Suppliers and Contractors includes advances amounting to INR 1.35 Crore (Previous Year: INR 5.79 Crore) secured against bank guarantees.
- (b) Includes amount unbilled to a director INR 0.98 Crore (Previous Year: INR Nil) and entities where directors are interested, viz Godrej Agrovet Limited INR Nil (Previous Year: INR 0.02 Crore), Godrej Consumer Products Limited INR Nil (Previous Year: INR 0.09 Crore) and Godrej Industries Limited INR Nil (Previous Year: INR 0.09 Crore).



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Crore)

	March 31, 2020	March 31, 2019
20 Equity Share Capital		
a) Authorised : 1,338,000,000 Equity Shares of INR 5/- each (Previous Year: 1,338,000,000 Equity Shares of INR 5/- each)	669.00	669.00
	<u>669.00</u>	<u>669.00</u>
b) Issued, Subscribed and Paid-up: 252,023,911 Equity Shares of INR 5/- each (Previous Year: 229,323,713 Equity Shares of INR 5/- each) fully paid-up	126.01	114.66
	<u>126.01</u>	<u>114.66</u>
c) During the year, the Company has issued 70,888 equity shares (Previous Year: 78,585 equity shares) under the Employee Stock Grant Scheme.		
d) During the year, the Company has allotted 22,629,310 equity shares of face value of INR 5 each through Qualified Institutions Placement aggregating to INR 2,100 Crore.		
e) Reconciliation of number of shares outstanding at the beginning and end of the year :		

	March 31, 2020		March 31, 2019	
Equity Shares :	No. of Shares	INR (In Crore)	No. of Shares	INR (In Crore)
Outstanding at the beginning of the year	229,323,713	114.66	216,480,128	108.24
Issued during the year	22,700,198	11.35	12,843,585	6.42
Outstanding at the end of the year	<u>252,023,911</u>	<u>126.01</u>	<u>229,323,713</u>	<u>114.66</u>

f) Shareholding Information

	March 31, 2020		March 31, 2019	
Equity Shares are held by:	No. of Shares	INR (In Crore)	No. of Shares	INR (In Crore)
Godrej Industries Limited (Holding Company)	123,027,510	61.51	123,027,510	61.51
Godrej & Boyce Manufacturing Company Limited (Ultimate Holding Company upto March 29, 2017)	10,650,688	5.33	10,650,688	5.33
Ensemble Holdings & Finance Limited (Subsidiary of Holding Company)	1,382,310	0.69	1,382,310	0.69
Innovia Multiventures Private Limited (Subsidiary of Holding Company)	7,440,862	3.72	7,440,862	3.72

Pursuant to the approved Scheme of Arrangement (Demerger) by National Company Law Tribunal ("NCLT"), Mumbai bench Order dated April 22, 2020, 1,382,310 number of shares held by Ensemble Holdings & Finance Limited have been taken over by Godrej Industries Limited.

g) Rights, preferences and restrictions attached to Equity shares

The Company has only one class of equity shares having a par value of INR 5/- per share. Each holder of equity shares is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the Annual General Meeting except in case of interim dividend. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Particulars	March 31, 2020		March 31, 2019	
	No. of Shares	%	No. of Shares	%
Equity shares				
Godrej Industries Limited	123,027,510	48.82%	123,027,510	53.65%



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) as at March 31, 2020

(Currency in INR Crore)

20 Equity Share Capital (Continued)

i) Equity Shares allotted as fully paid-up without payment being received in cash

Particulars	Financial Year	No. of Shares	INR (In Crore)
Equity Shares: Godrej Industries Limited	March 31, 2016	16,745,762	8.37

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

j) Equity Shares Reserved for Issue Under Options (refer note 39)

Particulars	March 31, 2020		March 31, 2019	
	No. of Shares	INR (In Crore)	No. of Shares	INR (In Crore)
(i) 26,242 Employee Stock Grants eligible for 26,242 equity shares of INR 5/- each, out of which 26,242 is vesting on June 01, 2019.	-	-	26,242	0.01
(ii) 871 Employee Stock Grants eligible for 871 equity shares of INR 5/- each, out of which 871 is vesting on January 01, 2020	-	-	871	0.00
(iii) 204 Employee Stock Grants eligible for 204 equity shares of INR 5/- each, out of which 204 is vesting on March 01, 2020	-	-	204	0.00
(iv) 23,864 Employee Stock Grants eligible for 23,864 equity shares of INR 5/- each, out of which 23,864 is vesting on May 31, 2020.	23,864	0.01	49,573	0.02
(v) 976 Employee Stock Grants eligible for 976 equity shares of INR 5/- each, out of which 976 is vesting on June 09, 2020.	976	0.00	1,953	0.00
(vi) 35,226 Employee Stock Grants eligible for 35,226 equity shares of INR 5/- each, out of which 17,613 is vesting on May 15, 2020 and 17,613 is vesting on May 15, 2021	35,226	0.02	54,749	0.03
(vii) 214 Employee Stock Grants eligible for 214 equity shares of INR 5/- each, out of which 107 is vesting on May 18, 2020 and 107 is vesting on May 18, 2021	214	0.00	321	0.00
(viii) 50,069 Employee Stock Grants eligible for 50,069 equity shares of INR 5/- each, out of which 16,690 is vesting on April 30, 2020, 16,690 is vesting on April 30, 2021 and 16,689 is vesting on April 30, 2022	50,069	0.03	-	-
(ix) 728 Employee Stock Grants eligible for 728 equity shares of INR 5/- each, out of which 243 is vesting on December 02, 2020, 243 is vesting on December 02, 2021 and 242 is vesting on December 02, 2022	728	0.00	-	-

INR 0.00 represents amount less than INR 50,000



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Crore)

21 Borrowings (Non-Current)

Particulars	Maturity Date	Terms of repayment	March 31, 2020	March 31, 2019
Unsecured Debentures	September 25, 2020	Single Principal Repayment at the end of the Term		
7.82% 5,000 (Previous Year: 5,000) redeemable non-convertible debentures ("NCD") of face Value INR 1,000,000 each			-	500.00
			<u>-</u>	<u>500.00</u>

March 31, 2020 March 31, 2019

22 Provisions (Non-Current)

Provision for Employee Benefits	12.62	11.51
Gratuity		
	<u>12.62</u>	<u>11.51</u>

23 Borrowings (Current)

Particulars	Interest Rate p.a	March 31, 2020	March 31, 2019
Secured Loans			
From Banks	7.80%-8.30%		
Working Capital Loan (refer note (a) below)	(Previous Year: 8.30%-8.60%)	902.73	803.84
Cash Credit Loan (refer note (b) below)		110.48	108.46
Unsecured Loans			
From Banks	6.45%-8.30%		
Overdraft Facilities (refer note (c) below)	(Previous Year: 7.48%-9.00%)	148.84	176.03
Other Loans (refer note (d) below)		1,280.87	1,271.51
From Others	5.93%-6.75%		
Commercial Papers (refer note (d) below)	(Previous Year: 7.49%-7.91%)	761.12	656.00
		<u>3,204.04</u>	<u>3,015.84</u>

- (a) The Working Capital Loan (WCL) of INR 500 Crore (Previous Year: INR 800 Crore) from SBI is secured by a primary charge of hypothecation of Current Assets of the Company and work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary) and by a collateral of Mortgage of Immovable property (including all fit-outs therein) of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and the hypothecation of Current Assets excluding work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary).

The WCL of INR 400 Crore (Previous Year: INR Nil) from SBI is secured by a collateral of Mortgage of Immovable property (including all fit-outs therein) of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and the hypothecation of Current Assets excluding work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary).

- (b) Cash Credit availed from SBI is secured by a primary charge of hypothecation of Current Assets of the Company and work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary) and by a collateral of Mortgage of Immovable property (including all fit-outs therein) of the Company at Unit No 5C, on the 5th Floor in Godrej One (along with car parking spaces) at Pirojshanagar, Vikhroli East, Mumbai and the hypothecation of Current Assets excluding work-in-progress of Godrej Projects Development Limited (wholly owned subsidiary) and is repayable on demand.
- (c) Unsecured Overdraft facilities from Banks is repayable on demand.
- (d) Other Loans includes Unsecured Working Capital Loans and Commercial papers. Working capital loans are repayable within one year and Commercial Papers are repayable within 48 days to 164 days.



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Crore)

	March 31, 2020	March 31, 2019
24 Other Current Financial Liabilities		
Current maturities of Long Term Debentures	500.00	-
Interest Accrued but not due	20.19	20.14
Unclaimed Fixed Deposits and Interest	0.38	0.52
Unclaimed Dividend	0.03	0.04
Deposits - Others	1.54	2.30
Advance Share of Profit from Joint Ventures	19.74	19.65
Share of Loss from LLPs	126.08	40.66
Employee Benefits Payable	122.67	108.80
Other Liabilities (includes payable for development rights, etc.)	45.32	48.90
	835.95	241.01
25 Other Current Non Financial Liabilities		
Statutory Dues	18.71	24.14
Advances Received Against Sale of Flats/ Units	226.31	1,158.39
Others (includes advance from customer for maintenance, etc.)	24.25	4.75
	269.27	1,187.28
26 Provisions (Current)		
Provision for Employee Benefits		
Gratuity	2.17	1.94
Compensated Absences	2.86	2.63
Provision for Tax Dues (refer note (a) below)	3.99	4.66
Others (refer note (b) below)	2.77	1.75
	11.79	10.98

(a) Provision for tax dues. Utilised: INR 0.67 Crore (Previous Year: INR Nil) and Accrued: INR Nil (Previous Year: INR Nil).

(b) Others include provision made during the year for legal cases. The same is expected to be settled in foreseeable future. (Utilised: INR Nil (Previous Year: INR Nil), Accrued INR 1.02 Crore (Previous Year: INR 0.25 Crore))



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

	March 31, 2020	March 31, 2019
27 Revenue from Operations		
Sale of Real Estate Developments	1,575.67	1,326.78
Sale of Services	145.67	78.69
Other Operating Revenues		
Other Income from Customers	22.90	23.63
Share of Profit in Limited Liability Partnerships (net)	-	0.19
Lease Rent	2.81	4.46
	1,747.05	1,433.75
28 Other Income		
Interest Income	426.09	303.59
Dividend Income	0.00	0.00
Profit on Sale of Property, Plant and Equipment (net)	0.08	-
Income from Investment measured at FVTPL	27.59	94.21
Profit on Sale of Investments (net)	82.54	58.26
Miscellaneous Income	4.33	4.19
	540.63	460.25
29 Cost of Materials Consumed		
Land/ Development Rights	269.81	65.13
Construction, Material and Labour	267.28	234.40
Architect Fees	15.00	2.02
Finance Costs	53.00	135.82
Other Costs (including depreciation expense)	73.39	71.97
	678.48	509.34
30 Changes in Inventories of Finished Goods and Construction Work-in-Progress		
Inventories at the beginning of the year		
Finished Goods	71.37	64.46
Construction Work-in-Progress	1,508.73	2,016.19
	1,580.10	2,080.65
Inventories at the end of the year		
Finished Goods	310.75	71.37
Construction Work-in-Progress	936.67	1,508.73
	1,247.42	1,580.10
Less : Transferred to Investment Property and Capital Work-in-Progress	15.02	-
	317.66	500.54
31 Employee Benefits Expense*		
Salaries, Bonus and Allowances	139.24	132.30
Contribution to Provident and Other Funds	3.65	2.90
Share Based Payments to Employees	4.38	3.55
Staff Welfare Expenses	5.16	4.77
	152.43	143.52

* Net of allocations

INR 0.00 represents amount less than INR 50,000



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) for the year ended March 31, 2020

(Currency in INR Crore)

	March 31, 2020	March 31, 2019
32 Finance Costs		
Interest Expense	234.07	296.85
Interest on Income Tax	0.03	0.38
Total Interest Expense	234.10	297.23
Other Borrowing costs	89.45	90.54
Total Finance Costs	323.55	387.77
Less : Transferred to Construction Work-in-Progress	(53.00)	(135.82)
Net Finance Costs	270.55	251.95
33 Depreciation and Amortisation Expense		
Depreciation and amortisation on Property, Plant and Equipment	11.07	9.87
Depreciation on Right-of-Use Assets	4.63	-
Depreciation on Investment Property	0.23	0.28
Amortisation of Intangible Assets	2.69	2.97
Total Depreciation and Amortisation Expense	18.62	13.12
Less : Transferred to Construction Work-in-Progress	(1.95)	-
	16.67	13.12
34 Other Expenses		
Consultancy Charges	44.51	32.86
Rent	2.41	6.36
Insurance	0.88	1.17
Rates and Taxes	3.61	0.50
Advertisement and Marketing Expense	54.35	51.24
Share of loss in Limited Liability Partnerships (net)	62.21	-
Other Expenses (refer note 46, 48 and 49)	171.73	98.42
	339.70	190.55



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) for the year ended March 31, 2020

(Currency in INR Crore)

35 Earnings Per Share

a) Basic Earnings Per Share

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

	March 31, 2020	March 31, 2019
(i) Profit attributable to ordinary shareholders (basic)		
Profit for the year, attributable to ordinary shareholders of the Company	312.82	209.35
	<u>312.82</u>	<u>209.35</u>
(ii) Weighted average number of ordinary shares (basic)		
Number of equity shares at the beginning of the year	229,323,713	216,480,128
Add: Weighted average number of equity shares issued during the year	17,126,554	10,386,863
Add: Weighted average effect of share options exercised	55,643	63,456
Weighted average number of equity shares outstanding at the end of the year	<u>246,505,910</u>	<u>226,930,447</u>
Basic Earnings Per Share (INR) (Face value INR 5 each) (Previous year: INR 5 each)	12.69	9.22

b) Diluted Earnings Per Share

The calculation of diluted earnings per share is based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

	March 31, 2020	March 31, 2019
(i) Profit attributable to ordinary shareholders (diluted)		
Profit for the year, attributable to ordinary shareholders of the Company	312.82	209.35
	<u>312.82</u>	<u>209.35</u>
(ii) Weighted average number of ordinary shares (diluted)		
Weighted average number of equity shares outstanding (basic)	246,505,910	226,930,447
Add: Weighted average effect of potential equity shares under ESOS plan	68,028	87,722
	<u>246,573,938</u>	<u>227,018,169</u>
Diluted Earnings Per Share (INR) (Face value INR 5 each) (Previous year: INR 5 each)	12.69	9.22



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

36 Employee Benefits

a) Defined Contribution Plans:

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

Particulars	March 31, 2020	March 31, 2019
Employer's Contribution to Provident Fund (Gross before Allocation)	9.23	7.95
Employer's Contribution to ESIC	-	0.00

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	March 31, 2020	March 31, 2019
Present value of obligation as at beginning of the year	13.45	11.59
Interest Cost	0.95	0.90
Current Service Cost	2.23	2.38
Benefits Paid	(1.50)	(1.51)
Effect of Liability Transfer in	-	0.11
Effect of Liability Transfer out	(1.38)	(0.52)
Actuarial (gains)/ losses on obligations - due to change in demographic assumptions	-	(0.79)
Actuarial (gains)/ losses on obligations - due to change in financial assumptions	0.56	0.42
Actuarial (gains)/ losses on obligations - due to change in experience	0.48	0.87
Present value of obligation as at the end of the year	14.79	13.45

(ii) Amount recognised in the Standalone Balance Sheet

Particulars	March 31, 2020	March 31, 2019
Present value of obligation as at end of the year	14.79	13.45
Fair value of plan assets as at end of the year	-	-
Net obligation as at end of the year	14.79	13.45

(iii) Net gratuity cost for the year

Particulars	March 31, 2020	March 31, 2019
Recognised in the Standalone Statement of Profit and Loss		
Current Service Cost	2.23	2.38
Interest Cost	0.95	0.90
Total	3.18	3.28
Recognised in Other Comprehensive Income (OCI)		
Remeasurement due to:		
Actuarial (gains)/ losses on obligations - due to change in demographic assumptions	-	(0.79)
Actuarial (gains)/ losses on obligations - due to change in financial assumptions	0.56	0.42
Actuarial (gains)/ losses on obligations - due to change in experience	0.48	0.87
Total	1.04	0.50
Net Gratuity cost in Total Comprehensive Income (TCI)	4.22	3.78

The cumulative amount of actuarial (gains) / losses on obligations recognised in other comprehensive income as at March 31, 2020 is INR 4.69 Crore (Previous Year: INR 4.01 Crore).

INR 0.00 represents amount less than INR 50,000



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

36 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	March 31, 2020	March 31, 2019
Discount Rate	6.24%	7.07%
Salary escalation rate	8%	8%
Attrition Rate	17%	17%
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

(v) Sensitivity analysis

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

Particulars	March 31, 2020		March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount Rate (1% movement)	(0.67)	0.74	(0.59)	0.65
Salary escalation rate (1% movement)	0.72	(0.66)	0.64	(0.59)
Attrition Rate (1% movement)	(0.13)	0.14	(0.09)	0.10

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, 2020 were as follows:

Maturity Analysis of Projected Benefit Obligation: From the Employer

Projected Benefits Payable in Future Years from the Reporting Date	March 31, 2020	March 31, 2019
1st Following Year	2.17	1.94
2nd Following Year	1.90	1.80
3rd Following Year	1.78	1.83
4th Following Year	1.82	1.62
5th Following Year	1.64	1.59
Sum of Years 6 to 10	6.13	5.67

Compensated absences

Compensated absences for employee benefits of INR 0.94 Crore (Previous Year: INR 1.28 Crore) expected to be paid in exchange for the services recognised as an expense during the year.



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

37 Financial instruments – Fair values and risk management

a) Accounting classification and fair values

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

March 31, 2020	Carrying amount			Fair value			
	Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Non-Current							
Investment in Preference Shares	0.11	-	0.11	-	-	0.11	0.11
Other Investments							
Investment in Debentures	358.58	327.44	686.02	-	358.58	-	358.58
Investment in Equity Instruments	0.00	-	0.00	0.00	-	-	0.00
Loans	-	26.33	26.33	-	-	-	-
Other Non-Current Financial Assets	-	2.99	2.99	-	-	-	-
Current							
Investments	1,997.65	-	1,997.65	1,997.65	-	-	1,997.65
Trade receivables	-	139.12	139.12	-	-	-	-
Cash and cash equivalents	-	74.72	74.72	-	-	-	-
Bank balances other than above	-	352.56	352.56	-	-	-	-
Loans	-	3,012.28	3,012.28	-	-	-	-
Other Current Financial Assets	-	581.92	581.92	-	-	-	-
	2,356.34	4,517.36	6,873.70	1,997.65	358.58	0.11	2,356.34
Financial Liabilities							
Non-Current							
Lease Liabilities	-	1.15	1.15	-	-	1.15	1.15
Current							
Borrowings	-	3,204.04	3,204.04	-	-	-	-
Lease Liabilities	-	2.84	2.84	-	-	2.84	2.84
Trade Payables	-	430.89	430.89	-	-	-	-
Other Current Financial Liabilities	-	835.95	835.95	-	500.00	-	500.00
	-	4,474.87	4,474.87	-	500.00	3.99	503.99

March 31, 2019	Carrying amount			Fair value			
	Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Non-Current							
Investment in Preference Shares	-	0.11	0.11	-	-	-	-
Other Investments							
Investment in Debentures	319.59	405.58	725.18	-	319.59	-	319.59
Investment in Equity Instruments	0.00	-	0.00	0.00	-	-	0.00
Loans	-	28.57	28.57	-	-	-	-
Current							
Investments	887.68	-	887.68	887.68	-	-	887.68
Trade receivables	-	103.63	103.63	-	-	-	-
Cash and cash equivalents	-	112.92	112.92	-	-	-	-
Bank Balances other than above	-	169.20	169.20	-	-	-	-
Loans	-	2,063.97	2,063.97	-	-	-	-
Other Current Financial Assets	-	375.78	375.78	-	-	-	-
	1,207.27	3,259.76	4,467.03	887.68	319.59	-	1,207.27
Financial Liabilities							
Non Current							
Borrowings	-	500.00	500.00	-	500.00	-	500.00
Current							
Borrowings	-	3,015.84	3,015.84	-	-	-	-
Trade Payables	-	143.02	143.02	-	-	-	-
Other Current Financial Liabilities	-	241.01	241.01	-	-	-	-
	-	3,899.87	3,899.87	-	500.00	-	500.00

INR 0.00 represents amount less than INR 50,000



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

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

b) Measurement of Fair Value

- (i) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
- (ii) The Company uses the Discounted Cash Flow valuation technique (in relation to financial assets measured at amortised cost and fair value through profit or loss) which involves determination of present value of expected receipt/ payment discounted using appropriate discounting rates. The fair value so determined for financial asset measured at fair value through profit and loss are classified as Level 2.
- (iii) The Company uses the discounted cash flow valuation technique (in relation to financial liabilities measured at amortised cost) which involves determination of the present value of expected payments, discounted using bank rate.
- (iv) For financial assets that are measured at fair value under Level 3, the carrying amounts are equal to the fair values.
- (v) Lease liabilities are valued using Level 3 techniques. A change in one or more of the inputs to reasonably possible alternative assumptions would not change the value significantly.

c) Risk Management Framework

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors have established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

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

d) Financial risk management

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

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



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

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

d) Financial risk management (Continued)

(i) Credit risk

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

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

Trade Receivables

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

The Company's credit risk with regard to trade receivable has a high degree of risk diversification, due to the large number of projects of varying sizes and types with numerous different customer categories in a large number of geographical markets.

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

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

Particulars	March 31, 2020	March 31, 2019
Opening balance	23.45	9.47
Add: Impairment loss recognised	7.45	16.30
Less: Impairment loss reversed	-	2.32
Closing balance	30.90	23.45

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

The Company has investments in compulsorily convertible debentures / optionally convertible debentures, preference shares, loans to related parties and project deposits. The settlement of such instruments is linked to the completion of the respective underlying projects. During the year, the Company has recorded provision / expected credit loss on investment in debentures of INR 10.50 Crore and on financial assets of INR 5.00 Crore.

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 Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

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

d) Financial risk management (Continued)

(ii) Liquidity risk

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

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

The Company has access to funds from debt markets through loan from banks, commercial papers, fixed deposits from public and other debt instruments. The Company invests its surplus funds in bank fixed deposits and debt based mutual funds.

Exposure to liquidity risk

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

March 31, 2020	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Current						
Borrowings	3,204.04	3,263.28	3,263.28	-	-	-
Trade Payables	430.89	431.44	426.14	3.83	0.65	0.82
Other Current Financial Liabilities	835.95	854.86	854.86	-	-	-

March 31, 2019	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Non Current						
Borrowings	500.00	558.06	18.96	539.10	-	-
Current						
Borrowings	3,015.84	3,067.00	3,067.00	-	-	-
Trade Payables	143.02	143.91	133.51	9.16	1.24	-
Other Current Financial Liabilities	241.01	241.01	241.01	-	-	-



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

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

d) Financial risk management (Continued)

(iii) Market Risk

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

a) Currency Risk

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

b) Interest Rate Risk

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

Exposure to interest rate risk

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

Particulars	March 31, 2020	March 31, 2019
Financial liabilities		
Variable rate instruments	259.32	684.49
Fixed rate instruments	3,441.99	2,827.14
	<u>3,701.31</u>	<u>3,511.63</u>
Financial assets		
Variable rate instruments	-	-
Fixed rate instruments	4,116.10	3,030.61
	<u>4,116.10</u>	<u>3,030.61</u>

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.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Company by the amounts indicated in the table below. Given that the Company capitalises interest to the cost of inventory to the extent permissible, the amounts indicated below may have an impact on reported profits over the life cycle of projects to which such interest is capitalised. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) for the year ended March 31, 2020

(Currency in INR Crore)

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

d) Financial risk management (Continued)

b) Interest Rate Risk (continued)

Cash flow sensitivity analysis for variable-rate instruments (Continued)

Particulars	Profit or Loss INR (In Crore)	
	100 BP increase	100 BP decrease
March 31, 2020		
Financial Liabilities		
Variable rate instruments		
Borrowings	(2.59)	2.59
Cash flow sensitivity (net)	(2.59)	2.59
March 31, 2019		
Financial Liabilities		
Variable rate instruments		
Borrowings	(6.84)	6.84
Cash flow sensitivity (net)	(6.84)	6.84

The Company does not have any additional impact on equity other than the impact on retained earnings.

38 Capital Management

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

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

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

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

Particulars	March 31, 2020	March 31, 2019
Net debt	1,296.31	2,366.18
Total equity	5,034.78	2,657.05
Net debt to Equity ratio	0.26	0.89



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

39 Employee Stock Grant Scheme

The Company instituted an Employee Stock Grant Scheme (GPL ESGS) approved by the Board of Directors, the Shareholders and the Remuneration Committee.

a) Details of Stock Grants are as under:

Particulars	No. of Options		Weighted average Exercise Price (INR)	Weighted average Share Price (INR)
	March 31, 2020	March 31, 2019		
Options Outstanding at the beginning of the year	1,33,913	1,81,859		
Add: Options granted	50,797	58,635		
Less: Options exercised	70,888	78,585	5.00	915.12
Less: Option lapsed	2,745	27,996		
Options Outstanding at the end of the year	1,11,077	1,33,913		

b) The weighted average exercise price of the options outstanding as at March 31, 2020 is INR 5 per share (Previous year: INR 5 per share) and the weighted average remaining contractual life of the options outstanding as at March 31, 2020 is 0.74 years (Previous year: 0.76 years)

c) The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model. The weighted average fair value of the options granted is INR 756.42 (Previous year: INR 593.60). The following table lists the average inputs to the model used for the plan for the year ended March 31, 2020:

Particulars	March 31, 2020	March 31, 2019	Description of the Inputs used
Dividend yield %	-	-	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	33%-51%	32% - 42%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free interest rate %	6.37%-7.07%	6.31 % - 7.20%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options	INR 760.99	INR 598.00	

d) The expense arising from ESGS scheme during the year is INR 4.38 Crore (Previous Year: INR 3.55 Crore)



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

40 Leases

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

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

- b) The Company has recognised INR 2.28 Crore towards minimum lease payments for short-term leases and INR 0.13 Crore for low-value assets accounted as per paragraph 6 of IND AS 116 and INR 2.81 Crore minimum lease receipt in the Standalone statement of profit and loss.

c) As a lessor

The Company's significant leasing arrangements are in respect of operating leases for Commercial premises. Lease income from operating leases is recognised on a straight-line basis over the period of lease. The future minimum lease receivables of non-cancellable operating leases are as under:

Particulars	March 31, 2020	March 31, 2019
Future minimum lease receipts under operating leases		
Not later than 1 year	2.08	2.83
Later than 1 year and not later than 5 years	8.00	12.42
Later than 5 years	2.23	46.36

d) As a Lessee

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

Right-of-Use Assets	March 31, 2020
Particulars	
Cost	
Balance as at April 01, 2019	9.44
Add: Additions	-
Less: Disposals	(1.52)
Balance as at March 31, 2020	7.92
Accumulated Depreciation	
Balance as at April 01, 2019	-
Add: Depreciation charge for the year	4.63
Less: Disposals	-
Balance as at March 31, 2020	4.63
Carrying amount	
Balance as at April 01, 2019	9.44
Balance as at March 31, 2020	3.29
Lease Liabilities	
Balance as at April 01, 2019	11.00
Less: Disposals	(2.11)
Add: Interest Expense on lease Liabilities	0.53
Less: Total cash outflow for leases	(5.43)
Balance as at March 31, 2020	3.99



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) for the year ended March 31, 2020

(Currency in INR Crore)

40 Leases (Continued)

d) As a Lessee (Continued)

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

Particulars	March 31, 2020	March 31, 2019
Future minimum lease payments under operating leases		
Not later than 1 year	3.03	6.43
Later than 1 year and not later than 5 years	1.18	7.85
Weighted average effective interest rate (%)	8.00%	N.A.

e) Impact of change in financial position

The Company has applied modified retrospective approach and hence it has not restated previous period but has given an cumulative effect of applying this standard on the opening balance of retained earnings as at April 01, 2019 amounting to INR 1.02 Crore.

f) Impact of change in accounting policy on basic and diluted earnings per share

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

g) Reconciliation between operating lease commitments disclosed in March 31, 2019 financials applying IND AS 17 and lease liabilities recognised as per IND AS 116 as at April 01, 2019 in these standalone financial statements:

Particulars	Amount
Operating lease commitments disclosed in March 31, 2019 standalone financial statements (under IND AS 17)	14.28
Less: Short-term Leases ending within a period of 12 months adoption of the standard	(0.06)
Less: Discounting impact	(3.22)
Lease liabilities as per IND AS 116 recognised in these standalone financial statements as at April, 01 2019	11.00



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) for the year ended March 31, 2020

41 Related Party Transactions

1. Related Party Disclosures:

Related party disclosures as required by IND AS - 24, "Related Party Disclosures" for the year ended March 31, 2020 are given below:

Relationships:

i) Holding Company:

Godrej Industries Limited (GIL)

ii) a) Subsidiaries Companies:

- 1 Godrej Projects Development Limited
- 2 Godrej Garden City Properties Private Limited
- 3 Godrej Home Developers Private Limited
- 4 Godrej Hillside Properties Private Limited
- 5 Godrej Prakriti Facilities Private Limited
- 6 Godrej Highrises Properties Private Limited
- 7 Godrej Genesis Facilities Management Private Limited
- 8 Prakritiplaza Facilities Management Private Limited
- 9 Citystar Infraprojects Limited
- 10 Godrej Residency Private Limited
- 11 Godrej Landmark Redevelopers Private Limited (w.e.f. March 15, 2019)
- 12 Godrej Properties Worldwide Inc., USA
- 13 Wonder Space Properties Private Limited (w.e.f. April 05, 2019)
- 14 Cear Lifespaces Private Limited (w.e.f. March 20, 2020)

b) Subsidiaries Limited Liability Partnership :

- 1 Godrej Highrises Realty LLP
- 2 Godrej Project Developers & Properties LLP
- 3 Maan-Hinge Township Developers LLP (upto January 31, 2019)
- 4 Mahalunge Township Developers LLP (upto January 31, 2019)
- 5 Godrej Skyview LLP
- 6 Godrej Green Properties LLP
- 7 Godrej Projects (Soma) LLP
- 8 Godrej Projects North LLP
- 9 Godrej Athenmark LLP
- 10 Godrej Vestamark LLP (upto May 02, 2019)
- 11 Manjari Housing Projects LLP (upto January 31, 2019)
- 12 Embellish Houses LLP (w.e.f. February 13, 2019)
- 13 Godrej City Facilities Management LLP (w.e.f. March 18, 2019)
- 14 Godrej Olympia LLP (w.e.f. June 21, 2019)
- 15 Godrej Florentine LLP (w.e.f. June 21, 2019)
- 16 Godrej Odyssey LLP (w.e.f. June 21, 2019 till September 25, 2019)
- 17 Ashank Realty Management LLP (w.e.f. May 30, 2019)
- 18 Ashank Facility Management LLP (w.e.f. July 09, 2019)

iii) a) Associate:

- 1 Godrej One Premises Management Private Limited

iii) b) Joint Venture :

- 1 Godrej Realty Private Limited
- 2 Godrej Landmark Redevelopers Private Limited (upto March 14, 2019)
- 3 Godrej Redevelopers (Mumbai) Private Limited
- 4 Godrej Greenview Housing Private Limited
- 5 Wonder Space Properties Private Limited (upto April 04, 2019)
- 6 Wonder City Buildcon Private Limited
- 7 Godrej Home Constructions Private Limited
- 8 Wonder Projects Development Private Limited
- 9 Godrej Real View Developers Private Limited
- 10 Pearlite Real Properties Private Limited
- 11 Godrej Skyline Developers Private Limited
- 12 Godrej Green Homes Private Limited (formerly known as Godrej Green Homes Limited)
- 13 Ashank Macbricks Private Limited (w.e.f. July 31, 2018)
- 14 Munjel Hospitality Private Limited (w.e.f. June 29, 2019)
- 15 Yujya Developers Private Limited (w.e.f. December 2, 2019)
- 16 Vivrut Developers Private Limited (w.e.f. February 10, 2020)
- 17 Mosaic Landmarks LLP
- 18 Dream World Landmarks LLP
- 19 Oxford Realty LLP
- 20 Godrej SSPDL Green Acres LLP
- 21 Caroa Properties LLP
- 22 M S Rameish Ventures LLP
- 23 Oasis Landmarks LLP
- 24 Godrej Amitis Developers LLP (formerly known as Amitis Developers LLP)
- 25 Godrej Construction Projects LLP



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) for the year ended March 31, 2020

41 Related Party Transactions (Continued)

1. Related Party Disclosures: (Continued)

Related party disclosures as required by IND AS - 24, "Related Party Disclosures" for the year ended March 31, 2020 are given below: (Continued)

iii) b) Joint Venture : (Continued)

- 26 Godrej Housing Projects LLP
- 27 Godrej Property Developers LLP
- 28 AR Landcraft LLP
- 29 Bavdhan Realty @ Pune 21 LLP
- 30 Prakhyaat Dwellings LLP
- 31 Godrej Highview LLP
- 32 Godrej Projects North Star LLP
- 33 Godrej Developers & Properties LLP
- 34 Godrej Reserve LLP (formerly known as Sai Srushti One Hub Projects LLP)
- 35 Godrej Irismark LLP
- 36 Roseberry Estate LLP (w.e.f. September 18, 2018)
- 37 Suncity Infrastructures (Mumbai) LLP (w.e.f. October 10, 2018)
- 38 Manjari Housing Projects LLP (w.e.f. February 01, 2019)
- 39 Maan-Hinge Township Developers LLP (w.e.f. February 01, 2019)
- 40 Mahalunge Township Developers LLP (w.e.f. February 01, 2019)
- 41 Godrej Vestamark LLP (w.e.f. May 03, 2019)
- 42 Manyata Industrial Parks LLP (w.e.f. April 22, 2019)
- 43 Godrej Odyssey LLP (w.e.f. September 26, 2019)
- 44 Universal Metro Properties LLP (w.e.f. December 2, 2019)

iv) Other Related Parties in Godrej Group :

- 1 Godrej & Boyce Manufacturing Company Limited
- 2 Godrej Investment Advisors Private Limited
- 3 Godrej Agrovet Limited
- 5 Nature's Basket Limited (upto July 04, 2019)
- 4 Cream Line Dairy Products Limited
- 6 Godrej Consumer Products Limited
- 7 Annamudi Real Estates LLP
- 8 Godrej Housing Finance Limited

v) Key Management Personnel and their Relatives :

- 1 Mr. Adi B. Godrej
- 2 Mr. Nadir B. Godrej
- 3 Mr. Pirojsha Godrej
- 4 Mr. Mohit Malhotra
- 5 Mr. Janshyd N. Godrej
- 6 Mr. Amit Choudhury (upto March 31, 2019)
- 7 Mr. K. B. Dadiseth
- 8 Mrs. Lalita D. Gupta
- 9 Mr. Pranay Vakil
- 10 Dr. Pritam Singh (upto March 31, 2019)
- 11 Mr. Amitava Mukherjee
- 12 Ms. Sutapa Banerjee (w.e.f. November 5, 2019)
- 13 Mrs. Tanya Dubash
- 14 Mst. Hormazd Nadir Godrej



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) for the year ended March 31, 2020

(Currency in INR Crore)

41 Related Party Transactions (Continued)

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

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

Nature of Transaction	Godrej Industries Limited (i)	Subsidiary Companies and LLP (ii)	Associate (iii) (a)	Joint Ventures (iii) (b)	Other related parties in Godrej Group (iv)	Total
Transactions during the Year						
Purchase of Property, Plant and Equipment						
Current Year	-	-	-	0.26	-	0.26
Previous Year	-	-	-	1.09	0.20	1.29
Purchase of Land/ Development Agreement / Assignment						
Current Year	-	-	-	-	134.68	134.68
Previous Year	-	-	-	-	-	-
Expense charged by other Companies / Entities						
Current Year	10.75	5.79	3.38	0.06	10.15	30.13
Previous Year	9.92	4.64	3.15	-	16.31	34.22
Interest Income on Debtenture \$						
Current Year	-	18.82	-	61.54	-	80.36
Previous Year	-	-	-	79.82	-	79.82
Amount paid on transfer of Employee (Net)						
Current Year	1.83	-	-	1.86	0.01	3.70
Previous Year	1.76	-	-	-	-	1.76
Income Received from other Companies / Entities						
Current Year	-	-	-	0.83	-	0.83
Previous Year	-	-	-	0.45	0.07	0.52
Expense charged to other Companies / Entities						
Current Year	0.12	51.34	-	169.89	0.75	222.10
Previous Year	0.00	40.08	-	141.66	-	181.74
Development Management Fees Received						
Current Year	-	-	-	110.10	8.37	118.47
Previous Year	-	-	-	40.82	2.96	43.78
Interest Income						
Current Year	-	95.94	-	208.70	-	304.64
Previous Year	-	74.84	-	117.52	-	192.36
Share of Profit/(Loss) in LLP						
Current Year	-	(0.94)	-	(61.27)	-	(62.21)
Previous Year	-	(0.15)	-	0.34	-	0.19
Amount received on transfer of Employee (Net)						
Current Year	0.01	-	-	-	0.14	0.15
Previous Year	-	-	-	-	-	-
Commitment / Bank Guarantee / Letter of Credit issued / Corporate/ Performance Guarantee						
Current Year	-	4.51	-	-	-	4.51
Previous Year	-	2.99	-	0.15	-	3.14
Investment made in Equity / Preference Share						
Current Year	-	0.01	-	14.22	-	14.23
Previous Year	-	3.44	-	11.88	-	15.32
Investment made in Capital Account of LLP						
Current Year	-	0.04	-	10.98	-	11.02
Previous Year	-	0.00	-	494.01	-	494.01

INR 0.00 represents amount less than INR 50,000



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) for the year ended March 31, 2020

(Currency in INR Crore)

41 Related Party Transactions (Continued)

2 The following transactions were carried out with the related parties in the ordinary course of business. (Continued)
(i) Details relating to parties referred to in Items 1(i), (ii), (iii) and (iv) above. (Continued)

Nature of Transaction	Godrej Industries Limited (i)	Subsidiary Companies and LLP (ii)	Associate (iii) (a)	Joint Ventures (iv) (b)	Other related parties in Godrej Group (iv)	Total
Transactions during the Year (Continued)						
Investment made in Debenture						
Current Year	-	-	-	86.14	-	86.14
Previous Year	-	-	-	71.99	-	71.99
Investment Sold / Redeemed / Repayment of Partners Capital / Withdrawal of Share of Profit						
Current Year	-	-	-	20.96	-	20.96
Previous Year	-	0.05	-	0.66	-	0.71
Revenue recognised for Sale of Units / Development Rights						
Current Year	2.26	-	-	-	3.63	5.89
Previous Year	12.35	-	-	-	19.83	32.18
Redemption / Sale of Debenture						
Current Year	-	-	-	147.45	-	147.45
Previous Year	-	-	-	-	-	-
Loans and Advances given / (taken) #						
Current Year	-	1,447.04	-	1,136.95	-	2,583.99
Previous Year	-	371.71	-	653.56	-	1,025.27
Loans and Advances repaid						
Current Year	-	818.11	-	776.70	-	1,594.81
Previous Year	-	664.32	-	646.52	-	1,310.84
Deposit given						
Current Year	-	-	0.01	-	-	0.01
Previous Year	-	-	-	-	-	-
Deposit repaid						
Current Year	-	-	-	-	-	-
Previous Year	0.01	-	-	-	-	0.01
Amount received against Sale of Flats / Unit						
Current Year	2.06	-	-	-	3.35	5.41
Previous Year	14.12	-	-	-	22.83	36.95
Amount received against share of Profit						
Current Year	-	-	-	0.09	-	0.09
Previous Year	-	-	-	-	-	-
Balance Outstanding as at March 31, 2020						
Amount Receivable *						
As at March 31, 2020	0.03	1,604.50	-	1,527.48	0.01	3,132.02
As at March 31, 2019	0.02	986.65	-	1,041.32	0.01	2,028.00
Amount Payable						
As at March 31, 2020	1.40	2.17	-	0.21	136.27	140.05
As at March 31, 2019	2.60	-	0.28	-	6.49	9.37
Unbilled Revenue						
As at March 31, 2020	-	-	-	-	-	-
As at March 31, 2019	0.09	-	-	-	0.11	0.20
Advance received against Share of Profit						
As at March 31, 2020	-	-	-	19.74	-	19.74
As at March 31, 2019	-	-	-	19.65	-	19.65
Deposit Receivable						
As at March 31, 2020	0.36	-	0.04	-	1.51	1.91
As at March 31, 2019	0.36	-	0.03	-	1.51	1.90

INR 0.00 represents amount less than INR 50,000



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) for the year ended March 31, 2020

(Currency in INR Crore)

41 Related Party Transactions (Continued)

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

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

Nature of Transaction	Godrej Industries Limited (i)	Subsidiary Companies and LLP (ii)	Associate (iii) (a)	Joint Ventures (iii) (b)	Other related parties in Godrej Group (iv)	Total
Balance Outstanding as at March 31, 2020 (Continued)						
Debt Outstanding						
As at March 31, 2020	-	164.54	-	531.98	-	696.52
As at March 31, 2019	-	-	-	725.17	-	725.17
Debt Interest Outstanding						
As at March 31, 2020	-	20.47	-	128.71	-	149.18
As at March 31, 2019	-	-	-	109.91	-	109.91
Advance received against Sale of Flats/ Units						
As at March 31, 2020	-	-	-	-	0.15	0.15
As at March 31, 2019	0.72	-	-	-	1.26	1.98
Receivable from LLPs						
As at March 31, 2020	-	0.07	-	36.95	-	37.02
As at March 31, 2019	-	-	-	34.75	-	34.75
Share of Loss from LLPs						
As at March 31, 2020	-	1.18	-	124.90	-	126.08
As at March 31, 2019	-	0.18	-	40.47	-	40.65
Investment in Capital account						
As at March 31, 2020	-	0.04	-	511.17	-	511.21
As at March 31, 2019	-	0.00	-	500.19	-	500.19
Investment in Equity/Preference shares						
As at March 31, 2020	-	259.37	0.00	108.39	-	367.76
As at March 31, 2019	-	253.17	0.00	99.74	-	352.91
Commitment / Bank Guarantee / Letter of Credit / Corporate/ Performance Guarantee Outstanding						
As at March 31, 2020	-	10.76	-	13.35	-	24.11
As at March 31, 2019	-	6.36	-	28.71	-	35.07

(ii) Details relating to parties referred to in items 1(v) above

Particulars	March 31, 2020	March 31, 2019
Short-term employee benefits **	23.00	28.13
Post retirement benefits	0.38	0.25
Share based payment transactions	0.77	0.89
Total Compensation paid to Key Management Personnel	24.15	29.27
Revenue recognised for sale of flats / units to KMP and their relatives	31.30	7.52
Amount received from sale of flats/ units to KMP and their relatives	2.16	7.21
Trade receivable / (advance) on account of sale of flats / units to KMP and their relatives	(0.40)	(28.71)
Unbilled Revenue	1.49	-

Refer note 23 for current assets of Godrej Projects Development Limited, a wholly owned subsidiary, hypothecated against loan taken by the Company.

* Amount receivable includes loan given to Prakhyaat Dwellings LLP, a joint venture, of INR Nil (Previous Year: INR 7.50 Crore) which is secured against immovable property of the LLP (refer note 17)

Includes Interest receivable converted into Loan

\$ Including income from Investment measured at FVTPL

**including commission and sitting fees paid to KMP

Refer note 45 (c) (iv) for Commitments

3. Significant Related Party Disclosure

Nature of Transaction	March 31, 2020	March 31, 2019
Loans and Advances given / (taken) #		
Godrej Project Development Limited	1,198.76	297.89
Loans and Advances repaid		
Godrej Project Development Limited	733.57	651.28
Godrej Vestmark LLP	329.01	-

INR 0.00 represents amount less than INR 50,000



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

42 Revenue from Contracts with Customers

(a) The amount of INR 965.26 Crore (Previous Year: INR 824.42 Crore) recognised in contract liabilities at the beginning of the year has been recognised as revenue during the year ended March 31, 2020.

(b) Significant changes in contract asset and contract liabilities balances are as follows:

Particulars	March 31, 2020	March 31, 2019
Contract asset		
At the beginning of the reporting period	57.48	83.31
Cumulative catch-up adjustments to revenue affecting contract asset	72.44	(25.83)
At the end of the reporting period	129.92	57.48
Contract liability		
At the beginning of the reporting period	1,158.39	1,596.26
Cumulative catch-up adjustments affecting contract liability	(862.60)	(406.61)
Significant financing component	(69.48)	(31.26)
At the end of the reporting period	226.31	1,158.39

(c) Performance obligation

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

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

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

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

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

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

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at March 31, 2020 is INR 179.16 Crore, which will be recognised as revenue over a period of 1-2 years and INR 469.42 Crore which will be recognised over a period of 2-4 years.

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

The following table discloses the reconciliation of amount of revenue recognised as at March 31, 2020:

Particulars	March 31, 2020	March 31, 2019
Contract price of the revenue recognised	1,639.07	1,291.20
Add: Significant financing component	95.06	127.42
Less: Customer incentive/benefits	12.79	13.15
Revenue from Sale of Real Estate Developments and Sale of Services recognised in the Standalone Statement of Profit and Loss	1,721.34	1,405.47



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

43 Information on Subsidiaries, Joint Ventures and Associates

a) Information on Subsidiaries

Sr. No.	Name of the entity	Country of Incorporation	Percentage of Holding	
			As on March 31, 2020	As on March 31, 2019
			%	%
(i) Companies:				
1	Godrej Projects Development Limited	India	100%	100%
2	Godrej Garden City Properties Private Limited	India	100%	100%
3	Godrej Hillside Properties Private Limited	India	100%	100%
4	Godrej Home Developers Private Limited	India	97.56%	97.56%
5	Godrej Prakriti Facilities Private Limited	India	100%	99.99%
6	Prakritiplaza Facilities Management Private Limited	India	99.99%	99.99%
7	Godrej Highrises Properties Private Limited	India	100%	99.99%
8	Citystar Infra Projects Limited	India	100%	98.60%
9	Godrej Residency Private Limited	India	100%	100%
10	Godrej Properties Worldwide Inc., USA	USA	100%	100%
11	Wonder Space Properties Private Limited (Classified as Subsidiary w.e.f. April 05, 2019 to December 17, 2019)	India	96.03%	N.A.
12	Wonder Space Properties Private Limited (Classified as Wholly Owned Subsidiary w.e.f. December 18, 2019)	India	100%	N.A.
13	Cecar Lifespaces Private Limited (w.e.f. March 20, 2020)	India	100%	N.A.

Sr. No.	Name of the entity	Country of Incorporation	Percentage of Holding		Percentage of Voting Rights	
			As on March 31, 2020	As on March 31, 2019	As on March 31, 2020	As on March 31, 2019
			%	%	%	%
(ii) LLPs						
1	Godrej Highrises Realty LLP	India	34%	34%	33.33%	34%
2	Godrej Project Developers & Properties LLP	India	51%	51%	50%	51%
3	Godrej Projects (Soma) LLP	India	1%	1%	50%	99%
4	Godrej Projects North LLP	India	1%	1%	50%	50%
5	Godrej Athenmark LLP	India	1%	1%	50%	50%
6	Godrej Vestamark LLP (Classified as Joint Venture w.e.f. May 03, 2019)	India	N.A.	1%	N.A.	50%
7	Godrej City Facilities Management LLP (w.e.f. March 18, 2019)	India	99%	99%	50%	50%
8	Godrej Skyview LLP	India	1%	1%	50%	50%
9	Embellish Houses LLP (w.e.f. February 13, 2019)	India	99%	99%	50%	50%
10	Ashank Realty Management LLP (w.e.f. May 30, 2019)	India	90%	N.A.	50%	N.A.
11	Godrej Olympia LLP (w.e.f. June 21, 2019)	India	90%	N.A.	50%	N.A.
12	Ashank Facility Management LLP (w.e.f. July 09, 2019)	India	50%	N.A.	50%	N.A.
13	Godrej Odyssey LLP (Classified as Wholly Owned Subsidiary w.e.f. June 21, 2019 to September 25, 2019)	India	N.A.	N.A.	N.A.	N.A.
14	Godrej Florentine LLP (w.e.f. June 21, 2019)	India	90%	N.A.	50%	N.A.

In case of LLPs percentage of holding in the above table denotes the Share of Profits in the LLP.

b) Information on Joint Ventures:

Sr. No.	Name of the entity	Country of Incorporation	Percentage of Holding	
			As on March 31, 2020	As on March 31, 2019
			%	%
(i) Companies:				
1	Godrej Realty Private Limited	India	51%	51%
2	Wonder Space Properties Private Limited (upto April 04, 2019)	India	N.A.	25.10%
3	Wonder City Buildcon Private Limited	India	25.10%	25.10%
4	Godrej Home Constructions Private Limited	India	25.10%	25.10%
5	Godrej Greenview Housing Private Limited	India	20%	20%
6	Wonder Projects Development Private Limited	India	20%	20%
7	Godrej Real View Developers Private Limited	India	20%	20%
8	Godrej Green Homes Private Limited (formerly known as Godrej Green Homes Limited)	India	50%	50%
9	Pearlite Real Properties Private Limited	India	49%	49%
10	Ashank Macbricks Private Limited (w.e.f. July 31, 2018)	India	20%	20%
11	Yujya Developers Private Limited (w.e.f. December 02, 2019)	India	20%	N.A.
12	Vivnat Developers Private Limited (w.e.f. February 10, 2020)	India	20%	N.A.



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

43 Information on Subsidiaries, Joint Ventures and Associates (Continued)

b) Information on Joint Ventures (Continued) :

Sr. No.	Name of the entity	Country of Incorporation	Percentage of Holding		Percentage of Voting Rights	
			As on March 31, 2020	As on March 31, 2019	As on March 31, 2020	As on March 31, 2019
			%	%	%	%
(II) LLPs						
1	Godrej Property Developers LLP	India	32%	32%	50%	50%
2	Mosaic Landmarks LLP	India	1%	1%	66.67%	66.66%
3	Dream World Landmarks LLP	India	40%	40%	66.67%	66.66%
4	Oxford Realty LLP	India	35%	35%	51%	51%
5	Godrej SSPDL Green Acres LLP	India	37%	37%	66.67%	66.66%
6	Oasis Landmarks LLP	India	38%	38%	66.67%	66.66%
7	M S Ramiah Ventures LLP	India	49.50%	49.50%	51%	51%
8	Carroa Properties LLP	India	35%	35%	66.67%	66.66%
9	Godrej Construction Projects LLP	India	34%	34%	51%	51%
10	Godrej Housing Projects LLP	India	50%	50%	51%	51%
11	Godrej Amits Developers LLP (formerly known as Amits Developers LLP)	India	46%	46%	50%	50%
12	A R Landcraft LLP	India	29%	29%	50%	50%
13	Prakhyat Dwellings LLP	India	50%	42.50%	50%	50%
14	Bavdhan Realty @ Pune 21 LLP	India	45%	45%	66.67%	45%
15	Godrej Highview LLP	India	40%	40%	50%	50%
16	Godrej Developers & Properties LLP	India	37.50%	37.50%	50%	50%
17	Godrej Ironmark LLP	India	50%	50%	50%	50%
18	Godrej Project North Star LLP	India	55%	55%	50%	50%
19	Madahunge Township Developers LLP (w.e.f. February 01, 2019)	India	39%	39%	25%	50%
20	Mean-Hinge Township Developers LLP (w.e.f. February 01, 2019)	India	39%	39%	25%	50%
21	Mazhari Housing Projects LLP (w.e.f. February 01, 2019)	India	39%	39%	25%	50%
22	Roseberry Estate LLP (w.e.f. September 16, 2018)	India	49%	49%	50%	50%
23	Godrej Odyssey LLP (w.e.f. September 26, 2019)	India	55%	N.A.	33.33%	N.A.
24	Manyata Industrial Parks LLP (w.e.f. April 22, 2019)	India	1%	N.A.	50%	N.A.
25	Godrej Vestmark LLP (Classified as Subsidiary upto May 02, 2019)	India	51%	N.A.	25%	N.A.
26	Universal Metro Properties LLP (w.e.f. December 02, 2019)	India	49%	N.A.	50%	N.A.

In case of LLPs percentage of holding in the above table denotes the Share of Profits in the LLP.

c) Information on Associate:

Sr. No.	Name of the entity	Country of Incorporation	Percentage of Holding	
			As on March 31, 2020	As on March 31, 2019
			%	%
(I) Companies:				
1	Godrej One Premises Management Private Limited	India	30%	30%



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

44 Disclosure pursuant to Section 186 of the Companies Act, 2013 and under Regulation 34(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Sr.No	Nature of Transaction (loans given/ investment made/ guarantee given/ security provided)	Purpose for which the loan/ guarantee/ security is proposed to be utilised by the recipient	Balance as at		Movement during the Year	Maximum Outstanding During the year	
			March 31, 2020	March 31, 2019		March 31, 2020	March 31, 2019
I	Loans and Advances						
	Godrej Realty Private Limited	Working Capital	0.74	1.03	(0.29)	1.10	1.03
	Godrej Projects Development Limited	Working Capital	1,242.82	644.08	398.74	1,377.23	1,168.71
	Wonder City Buildcon Private Limited	Working Capital	-	-	-	524.90	2.72
	Godrej Green Homes Private Limited (formerly known as Godrej Green Homes Limited)	Working Capital	-	-	-	-	7.70
	Mosaic Landmarks LLP	Working Capital	-	-	-	-	2.46
	Godrej Property Developers LLP	Working Capital	0.15	0.14	0.01	0.16	0.14
	Dream World Landmarks LLP	Working Capital	51.31	75.41	(24.10)	77.88	80.63
	Oxford Realty LLP	Working Capital	52.13	56.14	(4.01)	84.27	74.98
	Godrej SSPDL Green Acres LLP	Working Capital	27.63	26.56	1.07	32.24	35.65
	M S Ramaiah Ventures LLP	Working Capital	2.99	2.97	0.02	3.41	2.97
	Oasis Landmarks LLP	Working Capital	113.39	132.83	(19.44)	146.08	179.10
	Carora Properties LLP	Working Capital	74.43	113.22	(38.79)	116.69	108.19
	Godrej Construction Projects LLP	Working Capital	20.24	6.30	13.94	22.28	43.64
	Godrej Housing Projects LLP	Working Capital	11.40	35.64	(24.23)	35.84	77.60
	Godrej Amkis Developers LLP (formerly known as Amakis Developers LLP)	Working Capital	76.32	69.55	6.77	89.57	69.55
	Mahalunge Township Developers LLP	Working Capital	95.47	-	95.47	102.81	86.10
	Godrej Developers & Properties LLP	Working Capital	46.81	40.28	6.53	57.84	72.18
	Godrej Highrises Realty LLP	Working Capital	3.72	3.71	0.01	4.17	3.71
	Godrej Project Developers & Properties LLP	Working Capital	-	-	-	-	0.02
	Wonder Projects Development Private Limited	Working Capital	-	-	-	-	1.54
	AR Landcraft LLP	Working Capital	69.89	26.45	42.64	90.55	55.21
	Prakhyaat Dwellings LLP	Working Capital	142.16	18.20	123.96	156.65	18.20
	Bavdhan Realty @ Pune 21 LLP	Working Capital	6.06	4.93	1.13	6.71	4.93
	Pealite Real Properties Private Limited	Working Capital	-	-	-	-	1.29
	Godrej Highrises Properties Private Limited	Working Capital	123.80	94.26	29.54	131.21	94.26
	Citystar Intraprojects Limited	Working Capital	0.42	0.37	0.05	0.42	0.37
	Godrej Highview LLP	Working Capital	49.39	51.96	(2.57)	74.88	117.75
	Godrej Projects (Soma) LLP	Working Capital	0.02	0.01	0.01	0.02	0.01
	Godrej Projects North LLP	Working Capital	0.01	-	0.01	0.01	0.01
	Godrej Projects North Star LLP	Working Capital	29.85	12.13	17.72	31.91	12.13
	Godrej Irismark LLP	Working Capital	50.96	59.67	(8.71)	86.04	59.80
	Godrej Reserve LLP (formerly known as Sai Srushti Oneclub Projects LLP)	Working Capital	-	-	-	-	0.64
	Roseberry Estate LLP (w.e.f. September 18, 2018)	Working Capital	203.22	141.79	61.43	242.41	141.79
	Godrej Albenmark LLP	Working Capital	0.28	0.29	(0.01)	0.31	0.29
	Wonder Space Properties Private Limited	Working Capital	37.33	113.95	(76.62)	115.39	114.08
	Godrej Home Developers Private Limited	Working Capital	0.02	0.00	0.02	0.03	0.00
	Godrej Hillside Properties Private Limited	Working Capital	0.03	0.01	0.02	0.03	0.01
	Godrej Genesis Facilities Management Private Limited	Working Capital	0.81	-	0.81	1.19	-
	Godrej Real View Developers Private Limited	Working Capital	0.00	18.61	(18.61)	18.61	18.62
	Godrej Skyline Developers Private Limited	Working Capital	-	0.10	(0.10)	0.10	19.01
	Maan-Hinge Township Developers LLP	Working Capital	33.68	-	33.68	36.67	-
	Godrej Vestamark LLP	Working Capital	-	43.91	(43.91)	322.24	43.91
	Manjari Housing Projects LLP	Working Capital	31.12	-	31.12	37.32	-
	Ashank Macbricks Private Limited (w.e.f. July 31, 2018)	Working Capital	-	1.36	(1.36)	11.81	1.36
	Embellish Houses LLP (w.e.f. February 13, 2019)	Working Capital	0.01	-	0.01	0.01	-
	Godrej City Facilities Management LLP (w.e.f. March 18, 2019)	Working Capital	0.01	-	0.01	0.01	-



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Crore)

44 Disclosure pursuant to Section 186 of the Companies Act, 2013 and under Regulation 34(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. (Continued)

Sr.No	Nature of Transaction (loans given/ investment made/ guarantee given/ security provided)	Purpose for which the loan/ guarantee/ security is proposed to be utilised by the recipient	Balance as at		Movement during the Year	Maximum Outstanding During the year	
			March 31, 2020	March 31, 2019		March 31, 2020	March 31, 2019
	Manyata Industrial Parks LLP (w.e.f. April 22, 2019)	Working Capital	24.94	-	24.94	38.32	-
	Godrej Odyssey LLP (w.e.f. June 21, 2019)	Working Capital	14.85	-	14.85	15.42	-
	Godrej Florentine LLP (w.e.f. June 21, 2019)	Working Capital	-	-	-	0.00	-
	Godrej Olympia LLP (w.e.f. June 21, 2019)	Working Capital	0.00	-	0.00	0.00	-
	Ashnak Realty Management LLP (w.e.f. May 30, 2019)	Working Capital	-	-	-	0.01	-
	Universal Metro Properties LLP (w.e.f. December 02, 2019)	Working Capital	41.70	-	41.70	42.57	-
	Vivint Developers Private Limited (w.e.f. February 10, 2020)	Working Capital	-	-	-	10.50	-
	Cesar Lifespaces Private Limited (w.e.f. March 20, 2020)	Working Capital	109.50	-	109.50	109.51	-

INR 0.00 represents amount less than INR 50,000

Sr.No	Nature of Transaction (loans given/ investment made/ guarantee given/ security provided)	Purpose for which the loan/ guarantee/ security is proposed to be utilised by the recipient	Balance as at		Movement during the Year
			March 31, 2020	March 31, 2019	
2	Guarantees				
	Godrej Projects Development Limited	Working Capital	10.76	6.36	4.40
	Oasis Landmarks LLP	Working Capital	-	1.83	(1.83)
	Dream World Landmarks LLP	Working Capital	0.25	0.25	-
3	Investment in fully paid-up equity instruments and current investments		refer note 6 and 7		



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) for the year ended March 31, 2020

(Currency in INR Crore)

45 Contingent Liabilities and Commitments

a) Contingent Liabilities

Matters	March 31, 2020	March 31, 2019
I) Claims against Company not Acknowledged as debts:		
i) Claims not acknowledged as debts represent cases filed by parties in the Consumer forum, Civil Court and High Court and disputed by the Company as advised by our advocates. In the opinion of the management the claims are not sustainable	36.98	65.22
ii) Claims under Income Tax Act, Appeal preferred to The Deputy Commissioner/ Commissioner of Income Tax (Appeals)	5.23	33.83
iii) Claims under MVAT, Appeal preferred to The Deputy Commissioner/Joint Commissioner of Sales Taxes ((Appeals) IV/V), Mumbai	13.73	3.34
iv) Appeal preferred to Customs, Excise, GST and Service Tax Appellate tribunal	61.65	74.31
v) Appeal preferred to The Joint Commissioner of Sales Tax (Appeal -4) at Maharashtra under Entry of Goods Into Local Areas Act, 2002	0.77	0.77
II) Guarantees:		
i) Guarantees given by Bank, counter guaranteed by the Company	36.02	31.56
ii) Guarantees given by the Company	13.10	26.63

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

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

c) Commitments

- (i) **Particulars** **March 31, 2020** **March 31, 2019**
- Capital Commitment (includes Capital work-in-progress, Investment Property under construction) 31.76 43.63
- (ii) The Company enters into construction contracts for Civil, Elevator, External Development, MEP work etc. with its vendors. The total amount payable under such contracts will be based on actual measurements and negotiated rates, which are determinable as and when the work under the said contracts are completed.
- (iii) The Company has entered into development agreements with owners of land for development of projects. Under the agreements the Company is required to pay certain payments/ deposits to the owners of the land and share in built up area/ revenue from such developments in exchange of undivided share in land as stipulated under the agreements.
- (iv) The Company will arrange funds / subscribe to further capital to support continuing operations in certain subsidiaries and joint ventures (jointly with the shareholders / Partners of the respective joint ventures), if required, based upon operation of such entities. The Company expects the said subsidiaries and joint ventures to meet its obligations and no liability on this account is anticipated.

46 Payment to Auditors (net of taxes)

Particulars	March 31, 2020	March 31, 2019
Audit Fees	0.76	0.75
Fees for QIP related work	0.38	-
Certification and other services	0.05	0.05
Reimbursement of Expenses	0.05	0.03
Total	1.24	0.83



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) for the year ended March 31, 2020

(Currency in INR Crore)

47 Foreign Exchange Difference

The amount of exchange difference included in the Standalone Statement of Profit and Loss, is INR 0.22 Crore (Net Gain) (Previous Year: INR (0.04) Crore (Net Loss)).

- 48 Other Expenses includes provision for expected credit loss on investments and financial assets of INR 66.63 Crore (Previous Year: 13.98 Crore).

49 Corporate Social Responsibility

The Company has spent INR 2.57 Crore during the year (Previous Year: INR 1.78 Crore) as per the provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility (CSR) activities grouped under 'Other Expenses'.

(a) Gross amount required to be spent by the Company during the year INR 3.13 Crore. (Previous Year: INR 1.72 Crore)

(b) Amount spent during the year on :

Particulars	Amount Spent In Cash	Amount yet to be paid In Cash	Total Amount
Year ended March 31, 2020			
(i) Construction / Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	2.57	-	2.57
Year ended March 31, 2019			
(i) Construction / Acquisition of any Asset	-	-	-
(ii) On purposes other than (i) above	1.78	-	1.78

50 Utilisation of proceeds from issue of Shares

During the year, the Company raised a sum of INR 2,100.00 Crore by allotting 22,629,310 equity shares on a Qualified Institutional Placement basis.

Qualified Institutional Placement

Particulars	March 31, 2020
Proceeds from the issue of shares during the year	2,100.00
<u>Utilisation during the year:</u>	
Issue related expenses	34.32
Utilised for business development deals	87.24
Balance unutilised amount invested in mutual funds and fixed deposits with Banks	1,978.44

During the previous year, the Company raised a sum of INR 1,000.14 Crore by allotting 12,765,000 equity shares on a preferential basis.

Private Placement

Particulars	March 31, 2019
Proceeds from the issue of shares during the previous year	1,000.14
<u>Utilisation during the previous year:</u>	
Issue related expenses	3.57
Utilised for business development deals in previous year	613.65
Balance unutilised amount invested in mutual funds as at March 31, 2019	382.92
Utilised for business development deals in current year	382.92
Balance unutilised amount as at March 31, 2020	-



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) for the year ended March 31, 2020

(Currency in INR Crore)

51 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 Managing Director of the Company acts as the Chief Operating Decision Maker ("CODM"). The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

B. Geographical Information

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

C. Information about major customers

None of the customers for the years ended March 31, 2020 and March 31, 2019 constituted 10% or more of the total revenue of the Company.

52 The write-down of inventories to net realisable value during the year amounted to INR 27.74 Crore (Previous Year: INR 4.75 Crore).

53 Additional disclosure to Micro, Small and Medium enterprises :

Particulars	March 31, 2020	March 31, 2019
(a) The principal amount remaining unpaid to any supplier as at the end of the accounting year;	10.84	10.31
(b) The interest due thereon remaining unpaid to any supplier as at the end of the accounting year;	Nil	Nil
(c) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(d) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	Nil	Nil
(e) The amount of interest accrued and remaining unpaid at the end of accounting year	Nil	Nil
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue during the years ended and as at March 31, 2020 and March 31, 2019 to Micro, Small and Medium Enterprises on account of principal or interest.

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



Godrej Properties Limited

Notes Forming Part of Standalone Financial Statements (Continued) for the year ended March 31, 2020

(Currency in INR Crore)

- 55 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.

As per our report of even date.

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

Aniruddha Godbole
Partner
Membership No: 105149

Mumbai
May 11, 2020

For and on behalf of the Board of Directors of
Godrej Properties Limited
CIN: L74120MH1985PLC035308

Pirojsha Godrej
Executive Chairman
DIN: 00432983

Mohit Malhotra
Managing Director & CEO
DIN: 07074531

Surender Varmā
Company Secretary
ICSI Membership No. A10428

Rajendra Khetawat
Chief Financial Officer

Mumbai
May 11, 2020