

Godrej Skyline Developers Private Limited

**Financial Statements
together with the
Independent Auditors' Report
for the year ended 31 March 2019**

Godrej Skyline Developers Private Limited

Financial statements together with the Independent Auditors' Report *for the year ended 31 March 2019*

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To the Members of Godrej Skyline Developers Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Godrej Skyline Developers Private Limited ("the Company"), which comprise the balance sheet as at 31 March 2019, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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



Independent Auditors' Report (*Continued*)

Godrej Skyline Developers Private Limited

Other Information

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

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

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

Management's Responsibility for the Financial Statements

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

In preparing the financial statements, 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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



Independent Auditors' Report (*Continued*)

Godrej Skyline Developers Private Limited

Auditors' Responsibilities for the Audit of the Financial Statements (*Continued*)

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

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

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

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

Independent Auditors' Report (*Continued*)

Godrej Skyline Developers Private Limited

Report on Other Legal and Regulatory Requirements

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

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

- (a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account;
- (d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act;
- (e) on the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) with respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

- i. the Company does not have any pending litigations which would impact its financial position;
- ii. the Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses;
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and



Independent Auditors' Report (Continued)

Godrej Skyline Developers Private Limited

Report on Other Legal and Regulatory Requirements (Continued)

- iv. the disclosures in the financial statements regarding holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.
- (C) With respect to the matter to be included in the Auditors' Report under Section 197 (16) of the Act, we report that:
- i. according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration; and
 - ii. the Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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



Mansi Pardiwalla
Partner
Membership No: 108511

Mumbai
27 April 2019

Godrej Skyline Developers Private Limited

Annexure A to the Independent Auditors' Report – 31 March 2019

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 2019, we report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets including property, plant and equipment.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment by which the property, plant and equipment are verified annually. 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 our opinion and according to the information and explanations given to us, no discrepancies were noticed on such verification during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company and as per Note 2 to the financial statements, there are no immovable properties held in the name of the Company. Accordingly, paragraph 3(i)(c) of the Order is not applicable to the Company.
- (ii) The Company's inventory includes construction work-in-progress. Accordingly the requirements under paragraph 3(ii) of the Order is not applicable for construction work-in-progress.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraphs 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us and based on the audit procedures conducted by us, the Company has not granted any loans, made investments, or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Accordingly, compliance under Section 185 and 186 of the Act in respect of granting loans, making investments, or providing any guarantees or 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) The Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act for any of the activities carried out by the Company. Accordingly, paragraph 3 (vi) of the Order is not applicable to the Company.



Godrej Skyline Developers Private Limited

Annexure A to the Independent Auditors' Report – 31 March 2019 (Continued)

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Income-tax, Goods and Service tax, Property tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Provident Fund, Employees' State Insurance, Professional Tax and Labour cess.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax and Goods and Service tax, Property Tax, Cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of Income-tax and Goods and Service tax as at 31 March 2019, which have not been deposited with the appropriate authorities on account of any dispute.
- (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 dues to debenture holders. The Company does not have any loans or borrowings from banks or financial institution or 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 Company has not paid/provided for managerial remuneration during the year. Accordingly, paragraph 3 (xi) of the Order is not applicable to the Company.
- (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 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act. Further the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, paragraph 3 (xiii) of the Order is not applicable to the Company.



Godrej Skyline Developers Private Limited

Annexure A to the Independent Auditors' Report – 31 March 2019 (Continued)

- (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 preferential allotment of optionally convertible debentures during the year in compliance with the requirements of Section 42 of the Act. The total money raised aggregating Rs 800.00 lakhs has been utilised for the purpose for which the funds were raised.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

For B S R & Co. LLP

Chartered Accountants

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



Mansi Pardiwalla

Partner

Membership No: 108511

Mumbai
27 April 2019

Godrej Skyline Developers Private Limited

Annexure B to the Independent Auditors' Report – 31 March 2019

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

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

Opinion

We have audited the internal financial controls with reference to financial statements of Godrej Skyline Developers Private Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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



Godrej Skyline Developers Private Limited

Annexure B to the Independent Auditors' Report – 31 March 2019 (Continued)

Auditors' Responsibility (Continued)

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

For B S R & Co. LLP

Chartered Accountants

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

Mansi Pardiwalla

Partner

Membership No: 108511

Mumbai
27 April 2019

Godrej Skyline Developers Private Limited

Balance Sheet

as at March 31, 2019

(Currency in INR Lakhs)

Particulars	Note	As At March 31, 2019	As At March 31, 2018
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	28.63	-
Deferred Tax Assets (Net)	3	567.79	15.79
Total Non-Current Assets		596.42	15.79
Current Assets			
Inventories	4	35,542.28	28,431.48
Financial Assets			
Investments	5	1,251.61	-
Cash and Cash Equivalents	6	1,155.29	1.09
Other Current Non Financial Assets	7	1,193.16	594.57
Total Current Assets		39,142.34	29,027.14
TOTAL ASSETS		39,738.76	29,042.93
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	8	99.92	99.92
Other Equity		1,584.55	(45.97)
Total Equity		1,684.47	53.95
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	9	2,396.45	5,000.00
Total Non-Current Liabilities		2,396.45	5,000.00
Current Liabilities			
Financial Liabilities			
Borrowings	10	32,575.69	22,989.63
Trade Payables			
total outstanding dues of micro enterprises and small enterprises (Refer note 27)		-	-
total outstanding dues of Creditors other than micro enterprises and small enterprises		802.10	965.38
Other Current Financial Liabilities	11	2.34	-
Other Current Non Financial Liabilities	12	2,277.71	33.97
Total Current Liabilities		35,657.84	23,988.98
TOTAL EQUITY AND LIABILITIES		39,738.76	29,042.93
Significant Accounting Policies	1		

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Godrej Skyline Developers Private Limited

Balance Sheet (Continued)
as at March 31, 2019

(Currency in INR Lakhs)

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

As per our report of even date.

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



MANSI PARDIWALLA
Partner
Membership No: 108511

April 27, 2019
Mumbai

For and on behalf of the Board of Directors of
Godrej Skyline Developers Private Limited
CIN: L74120MH1985PLC035308



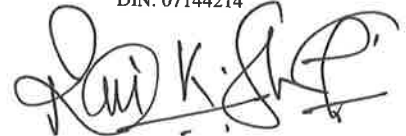
NEERAJ GUPTA
Director
DIN: 00007208



AMANDEEP SINGH
Director
DIN: 07144214



GIRISH GOENKA
Chief Financial Officer



RABI KANT SHARMA
Manager

Mumbai
April 27, 2019

Godrej Skyline Developers Private Limited

Statement of Profit and Loss

for the year ended March 31, 2019

(Currency in INR Lakhs)

Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
INCOME			
Other Income	13	3.09	25.22
Total Income		<u>3.09</u>	<u>25.22</u>
EXPENSES			
Cost of Materials Consumed	14	7,110.80	28,431.48
Changes in Inventories of construction work in progress	15	(7,110.80)	(28,431.48)
Finance Costs	16	3.09	25.23
Depreciation Expense	17	1.22	-
Other Expenses	18	1,900.12	61.22
Total Expenses		<u>1,904.43</u>	<u>86.45</u>
(Loss) Before Tax		<u>(1,901.34)</u>	<u>(61.23)</u>
Tax Expense			
Current Tax	3(a)	-	-
Deferred Tax (credit)	3(b)	(552.00)	(15.77)
Total Tax Expense		<u>(552.00)</u>	<u>(15.77)</u>
(Loss) for the Year		<u>(1,349.34)</u>	<u>(45.46)</u>
Other Comprehensive Income			
Other Comprehensive Income for the Year (Net of Tax)		<u>-</u>	<u>-</u>
Total Comprehensive Income for the Year		<u>(1,349.34)</u>	<u>(45.46)</u>
Earnings Per Share (Amount in INR)			
Basic and Diluted	19	(134.93)	(9.58)
Significant Accounting Policies	1		

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

As per our report of even date.

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


MANSI PARDIWALLA

Partner
Membership No: 108511

Mumbai
April 27, 2019

For and on behalf of the Board of Directors of
Godrej Skyline Developers Private Limited
CIN: L74120MH1985PLC035308


NEERAJ GUPTA
Director
DIN: 00007208

GIRISH GOENKA
Chief Financial Officer


AMANDEEP SINGH
Director
DIN: 07144214

RABI KANT SHARMA
Manager

Mumbai
April 27, 2019

Godrej Skyline Developers Private Limited

Statement of Cash Flows

for the year ended March 31, 2019

(Currency in INR Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash Flow from Operating Activities		
(Loss) before tax	(1,901.34)	(61.23)
Adjustments for:		
Depreciation expense	1.22	-
Finance costs	3.09	25.23
Profit on sale of investments (net)	(2.04)	(25.22)
Income from Investment measured at FVTPL	(1.05)	-
Operating (Loss) before working capital changes	(1,900.12)	(61.22)
Changes in Working Capital:		
Increase in Non-financial Liabilities	2,223.80	33.92
(Decrease) / Increase in Financial Liabilities	(160.94)	964.93
(Increase) in Inventories	(3,914.03)	(27,265.71)
(Increase) in Non-financial Assets	(598.59)	(594.57)
	(2,449.76)	(26,861.43)
Taxes Paid (net)	-	-
Net Cash Flows generated from/(used in) operating activities	(4,349.88)	(26,922.65)
Cash Flow from Investing Activities		
Acquisition of property, plant and equipment	(29.85)	-
(Purchase) / Sale of mutual funds (net)	(1,251.61)	25.22
Net Cash Flows (used in) / generated from investing activities	(1,281.46)	25.22
Cash Flow from financing activities		
Proceeds from Issue of equity share capital (net of issue expenses)	-	99.80
Proceeds from Issue of Preference Shares	-	5,000.00
Proceeds from Issue of Debentures	800.00	19,600.00
Proceeds from short-term borrowings (net)	6,713.87	2,280.97
Interest paid	(728.33)	(82.34)
Net Cash Flows generated from financing activities	6,785.54	26,898.43
Net Increase in Cash and Cash Equivalents	1,154.20	1.00
Cash and Cash Equivalents - Opening Balance (Refer note 6)	1.09	0.09
Cash and Cash Equivalents - Closing Balance (Refer note 6)	1,155.29	1.09



Godrej Skyline Developers Private Limited

Statement of Cash Flows (Continued)

for the year ended March 31, 2019

(Currency in INR Lakhs)

Notes :

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

(b) 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	Changes as per the Statement of Cash Flows	Non Cash Changes Fair Value Changes	Interest Accrued	As at March 31, 2019
Long-term borrowings	5,000.00	-	(2,603.55)	-	2,396.45
Short-term borrowings	22,989.63	7,513.87	(125.42)	2,197.61	32,575.69

Reconciliation of liabilities arising from financing activities					
Particulars	As at	Changes as per the Statement of Cash Flows	Non Cash Changes Fair Value Changes	Interest Accrued	As at March 31, 2018
Long-term borrowings	-	5,000.00	-	-	5,000.00
Short-term borrowings	-	21,880.97	(61.50)	1,170.16	22,989.63

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

As per our report of even date.

For B S R & Co. LLP

Chartered Accountants

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



MANSI PARDIWALLA

Partner

Membership No: 108511

Mumbai

April 27, 2019

For and on behalf of the Board of Directors of
Godrej Skyline Developers Private Limited
CIN: L74120MH1985PLC035308



NEERAJ GUPTA

Director

DIN: 00007208



GIRISH GOENKA

Chief Financial Officer

Mumbai

April 27, 2019



AMANDEEP SINGH

Director

DIN: 07144214



RABI KANT SHARMA

Manager

Godrej Skyline Developers Private Limited

Statement of Changes in Equity for the year ended March 31, 2019

(Currency in INR Lakhs)

a) Equity Share Capital

Particulars	As At March 31, 2019	As At March 31, 2018
Balance at the beginning of the year	99.92	0.10
Changes in equity share capital during the year	-	99.82
Balance at the end of the year	99.92	99.92

b) Other Equity

Particulars	Reserve and Surplus		Total
	Equity Component of Preference Shares(Refer Note below)	Retained Earnings (Refer Note below)	
Balance as at April 01, 2018		(45.97)	(45.97)
Total Comprehensive Income:			
i) (Loss) for the year	-	(1,349.34)	(1,349.34)
Adjustments:			
i) Equity Component of Preference Shares	2,979.86	-	2,979.86
Balance as at March 31, 2019	2,979.86	(1,395.31)	1,584.55

Particulars	Reserve and Surplus		Total
	Equity Component of Preference Shares(Refer Note below)	Retained Earnings (Refer Note below)	
Balance as at April 01, 2017	-	(0.51)	(0.51)
Total Comprehensive Income:			
i) (Loss) for the year	-	(45.46)	(45.46)
Balance as at March 31, 2018	-	(45.97)	(45.97)

(a) Retained Earnings

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

(b) Equity Component of Compound Financial Instruments

The Company has issued 7% Non cumulative redeemable preference shares are redeemable at par at any time upto the completion of the term of 5 years. Such amounts received were classified as financial liability with reference to the terms and conditions attached with such debentures. Financial liability is recognised at fair value which represents the present value of all future cash receipts discounted using the prevailing market rate of interest for a similar instrument with a similar credit rating. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component.

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

As per our report of even date,

For B S R & Co. LLP

Chartered Accountants

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

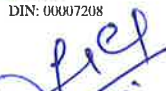


MANSI PARDIWALLA
Partner
Membership No: 108511

Mumbai
April 27, 2019

For and on behalf of the Board of Directors of
Godrej Skyline Developers Private Limited
CIN: L74120MH1985PLC035308


NEERAJ GUPTA
Director
DIN: 00907208


GIRISH GOENKA
Chief Financial Officer

Mumbai
April 27, 2019


AMANDEEP SINGH
Director
DIN: 07144214


RABI KANT SHARMA
Manager

Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements

for the year ended March 31, 2019

Note 1

I. Company Overview

Godrej Skyline Developers Private Limited ("the Company") having CIN No. U45309MH2016PTC287858 is engaged primarily in the business of real estate construction, development and other related activities. The Company is domiciled in India having its registered office at Godrej One, 5th Floor, Pirojshahnagar, Eastern Express Highway, Vikhroli, Mumbai - 400079.

II. Basis of preparation and measurement

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 ('the Act') and the relevant provisions and amendments, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention except certain financial instruments measured at fair value.

This is the first set of the Company's financial statements in which Ind AS 115, Revenue from contracts with customers, has been applied. Changes to significant accounting policies are described in note 1 (III) (g) and (o) and the impact of transition to Ind AS 115 on the financial statements is disclosed in note 23 to the financial statements.

The financial statements of the Company for the year ended March 31, 2019 were approved by the Board of Directors and authorised for issue on April 27, 2019.

a) Operating cycle

The normal operating cycle in respect of operation relating to under construction real estate project depends on 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.

b) Functional and Presentation Currency

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

c) Use of Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires the use of estimates, judgements and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2019

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

c) 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 at a point in time for the purpose of revenue recognition*

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

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

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II, 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

- *Fair value measurement of financial instruments*

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

- *Recognition of deferred tax asset*

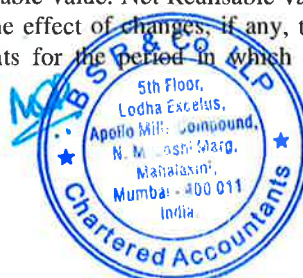
The deferred tax asset in respect of brought forward business losses is recognised based on reasonable certainty of the projected profitability, determined on the basis of approved business plans, to the extent that sufficient taxable income will be available to absorb the brought forward business losses.

- *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.

- *Evaluation of Net realisable Value of Inventories*

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



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2019

II Basis of preparation and measurement *(Continued)*

d) Standards issued but not yet effective

Ind AS 116, Leases: Ind AS 116 is applicable for financial reporting periods beginning on or after 1 April 2019 and replaces existing lease accounting guidance, namely Ind AS 17 Leases. 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. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard - i.e. lessors continue to classify leases as finance or operating leases. Management believes, based upon preliminary analysis that the impact of new lease standard is not material on its financial statements.

In addition to the above, the following amendments to existing standards have been issued, are not yet effective and are not expected to have a significant impact on the financial statements:

Amendments to Ind AS 109, Financial Instruments: amendments relating to the classification of particular pre-payable financial assets.

Amendments to Ind AS 12, Income Taxes, clarify that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transactions that generated the distributable profits - i.e. in profit or loss, other comprehensive income or equity. Further Appendix C, uncertainty over income tax treatments has been added to clarify how entities should reflect uncertainties over income tax treatments, in particular when assessing the outcome a tax authority might reach with full knowledge and information if it were to make an examination.

Amendments to Ind AS 23, Borrowing Costs, clarify that the general borrowings pool used to calculate eligible borrowing costs excludes only borrowings that specifically finance qualifying assets that are still under development or construction.

e) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

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

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



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2019

II Basis of preparation and measurement *(Continued)*

(e) Measurement of fair values *(Continued)*

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

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

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

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

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

III. Significant Accounting Policies

a. Property, plant and equipment, depreciation and amortisation

i) Recognition and Measurement:

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

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

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

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

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 Skyline Developers Private Limited

Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2019

III. Significant Accounting Policies *(Continued)*

a. Property, plant and equipment, 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 Act.

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

b. Impairment of non-financial assets

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

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

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

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

d. Foreign currency transactions

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

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

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

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



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2019

III. Significant Accounting Policies (*Continued*)

e. Financial instruments

I. Financial assets

Classification

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

Initial recognition and measurement

The Company recognises financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

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

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

Debt instruments at amortised cost

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

- 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 asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

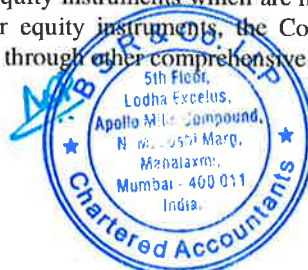
After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included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

Debt instruments at Fair Value through Profit or Loss

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

Equity investments

All equity investments other than investment in subsidiaries, joint ventures and associate are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2019

III. Significant Accounting Policies *(Continued)*

e. Financial instruments *(Continued)*

(FVTOCI) or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

Derecognition

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

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

Impairment of financial assets

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

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

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

I. Financial Liabilities

Classification

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

II. Financial Liabilities

Initial recognition and measurement

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

Loans and borrowings

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



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2019

III. Significant Accounting Policies (Continued)

e. Financial instruments (Continued)

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

This category generally applies to loans and borrowings

Derecognition

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

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.

III. Share Capital

Ordinary equity shares

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

f. Inventories

Inventories comprising of construction-work-in progress are valued at lower of cost and net realisable value.

Construction work-in-progress includes cost of land, construction costs, allocated interest and expenses incidental to the projects undertaken by the Company.

g. Revenue Recognition

Ind AS 115 has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and is effective from accounting period beginning on or after April 01, 2018.

The Company has applied full retrospective approach in adopting the new standard (for all contracts other than completed contracts) and accordingly recognised revenue in accordance with IND AS 115 as compared to earlier Percentage of Completion method as per the Guidance Note on Accounting for Real Estate Transaction (for entities to whom IND AS is applicable).

As these are the first set of the Company's standalone financial statements prepared in accordance with Ind AS 115, an explanation of how the transition to Ind AS 115 has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 24 to the financial statements.



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2019

III. Significant Accounting Policies (*Continued*)

g. Revenue Recognition (*Continued*)

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. Revenue is recognised upon transfer of control of promised products to customer in an amount that reflects the consideration which the Company expects to receive in exchange for those products.

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

For sale of units, the Company recognizes revenue when its performance obligations are satisfied and customer obtains control of the asset.

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

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

h. Income tax

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

Current tax

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

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

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



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2019

III. Significant Accounting Policies (*Continued*)

h. 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:

- the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- 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.

i. Borrowing Costs

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

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

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



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2019

III. Significant Accounting Policies *(Continued)*

j. Cash and Cash Equivalents

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

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

k. 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.

l. Provisions and contingent liabilities

A provision is recognised when the Company has a present 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 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.

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

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

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

m. Events after reporting date

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

n. Segment reporting

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



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements *(Continued)* for the year ended March 31, 2019

III. Significant Accounting Policies *(Continued)*

o. Change in significant accounting policies

The Company has applied Ind AS 115 Revenue from contracts with customers using the full retrospective approach (for all contracts other than completed contracts) i.e. by recognising the cumulative effect of initially applying Ind AS 115 as an adjustment to the opening balance of equity as at April 01, 2017. There is no impact on account of implementation of Ind AS 115 "Revenue from contracts with customers". Accordingly, the comparative information is not restated.

Ind AS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Under Ind AS 115, with effect from April 01, 2017, revenue is recognised when a customer obtains control of the goods or services as compared to earlier percentage of completion method as per the Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable).

As these are the first set of the Company's financial statements prepared in accordance with Ind AS 115, an explanation of how the transition to Ind AS 115 has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 24 to the financial statements.



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2019

(Currency in INR Lakhs)

2 Property, Plant and Equipment

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK	
	As At April 01, 2018	Additions during the year	Deductions during the year	As at March 31, 2019	As at April 01, 2018	For the Year Deductions	As at March 31, 2019	As at March 31, 2018
Office Equipments	-	29.85	-	29.85	-	1.22	1.22	28.63
Total Property, Plant and Equipment	-	29.85	-	29.85	-	1.22	1.22	28.63

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
	As At April 01, 2017	Additions during the year	Deductions during the year	As At March 31, 2018	As at April 01, 2017	For the Year Deductions	As at March 31, 2018	As At March 31, 2017	
Office Equipments	-	-	-	-	-	-	-	-	
Total Property, Plant and Equipment	-	-	-	-	-	-	-	-	



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2019

(Currency in INR Lakhs)

3 Deferred Tax Assets and Tax Expense

a) Movement in Deferred Tax Balances

Particulars	Balance as at April 01, 2018	Movement during the year Recognised in Profit or Loss	Recognised in Other Equity	Recognised in OCI	Balance as at March 31, 2019
Deferred Tax Assets/ (Liabilities)					
Property, Plant and Equipment	-	(0.30)	-	-	(0.30)
Brought Forward Loss	15.77	552.30	-	-	568.07
Share Issue Expenses	0.02	(0.00)	-	-	0.02
Deferred Tax Assets (Net)	15.79	552.00	-	-	567.79

Particulars	Balance as at April 01, 2017	Movement during the year Recognised in Profit or Loss	Recognised in Other Equity	Recognised in OCI	Balance as at March 31, 2018
Deferred Tax Assets/ (Liabilities)					
Brought Forward Loss	-	15.77	-	-	15.77
Share Issue Expenses	-	-	0.02	-	0.02
Deferred Tax Assets (Net)	-	15.77	0.02	-	15.79

b) Amounts recognised in the statement of profit and loss

Particulars	31 March 2019	31 March 2018
Current Tax		
Current Tax	-	-
Deferred Tax (Credit)	(552.00)	(15.77)
Deferred Tax	(552.00)	(15.77)
Tax Expense for the year	(552.00)	(15.77)

c) Reconciliation of Effective Tax Rate

Particulars	31 March 2019	31 March 2018
(Loss) Before Tax	(1,901.34)	(61.23)
Tax using the Company's domestic tax rate	29.74%	25.75%
Tax effect of:	(565.53)	(15.77)
Non-deductible expenses	16.29	-
Change in recognised deductible temporary differences	(0.30)	-
Rate difference	(2.46)	-
Tax expense recognised (Refer note below)	(552.00)	(15.77)

Note : 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 31 March 2022 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.



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2019

(Currency in INR Lakhs)

	March 31, 2019	March 31, 2018
4 Inventories (Valued at lower of Cost and Net Realisable Value)		
Construction Work-in-Progress	35,542.28	28,431.48
	<u>35,542.28</u>	<u>28,431.48</u>
5 Investments		
Quoted		
Investment in Mutual Funds carried at Fair Value through profit or loss	1,251.61	-
	<u>1,251.61</u>	<u>-</u>
Market Value of Quoted Investments		
Aggregate book value of Quoted Investments and Market Value thereof	1,251.61	-
6 Cash and Cash Equivalents		
Balances With Banks		
In Current Accounts (Refer note 28)	1,155.27	1.09
Cash On Hand	0.02	-
	<u>1,155.29</u>	<u>1.09</u>
7 Other Current Non Financial Assets		
Unsecured, Considered Good		
To parties other than related parties		
Balances with Government Authorities	1,114.36	594.57
Advance to Suppliers and Contractors	69.12	-
Prepayments	9.68	-
	<u>1,193.16</u>	<u>594.57</u>



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2019

(Currency in INR Lakhs)

	March 31, 2019	March 31, 2018
8 Equity Share Capital		
a) Authorised :		
1,000,000 Equity Shares of INR 10/- each (Previous Year: 1,000,000) Equity Shares of INR 10/- each)	100.00	100.00
50,000,000 (Previous Year: 50,000,000) 0.01%, Redeemable non-convertible non-cumulative preference shares of Rs 10 each	5,000.00	5,000.00
b) Issued, Subscribed and Paid-Up:		
1,000,000 Equity Shares (Previous Year: 1,000,000 Equity Share) of INR 10/- each, fully paid up)	99.92	99.92
	<u>99.92</u>	<u>99.92</u>
50,000,000 (Previous Year: 50,000,000) 0.01% Redeemable non-convertible non-cumulative preference shares of Rs 10 each (total face value of INR 5,000.00 lakhs) are classified as Compound Instrument. (Refer note 9 and Statement of Change in Equity)		

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

	March 31, 2019		March 31, 2018	
Equity Shares :	No. of Shares	INR (In Lakhs)	No. of Shares	INR (In Lakhs)
Outstanding at the beginning of the year	1,000,000	99.92	1,000	0.10
Issued during the year	-	-	999,000	99.82*
Outstanding at the end of the year	1,000,000	99.92	1,000,000	99.92
0.01 %, Redeemable non-convertible non-cumulative preference shares:				
Outstanding at the beginning of the year / period	50,000,000	5,000.00	-	-
Issued during the year / period	-	-	50,000,000	5,000.00
Outstanding at the end of the year / period	50,000,000	5,000.00	50,000,000	5,000.00

* Proceeds received net of issue expenses (Rs 0.08 lakhs) amounting to Rs 99.92 lakhs

50,000,000 (Previous Year: Nil) 0.01% Redeemable non-convertible non-cumulative preference shares of Rs 10 each (total face value of Rs 5,000.00 lakhs) are classified as Compound Instrument. (Refer note 9 and Statement of Change in Equity)

d) **Shareholding Information**

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

e) **Rights, preferences and restrictions attached to Equity shares**

The Company has only one class of equity shares having a par value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the Annual General Meeting except in 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.

f) **Rights, preferences and restrictions attached to Preference shares**

The Company has only one class of Redeemable Preference Share (RPS) having a face value of INR 10/- per share. The tenor of the RPS shall be 8 years, or such extended term as may be determined by the Board with the prior written consent of the RPS Holders. From and including the date of allotment of the RPS, the RPS Holders shall be entitled to receive a non-cumulative dividend at a rate of 0.01%, on the outstanding face value of RPS or dividend at such rate equal to or higher than the Equity Shareholders as determined by the Equity Shareholders and the RPS Holders subject to availability of Free Cash as defined in Share Holder's Agreement. The RPS shall not carry any voting rights, except in respect of terms stated in the securities subscription agreement or any matter which directly affects the rights of the RPS. In the event of liquidation, the RPS shall have priority over the equity share of the Company.

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

Particulars	March 31, 2019		March 31, 2018	
	No. of Shares	%	No. of Shares	%
Equity shares				
Vistra ITCL India Limited	740,000	74.00%	740,000	74.00%
Godrej Projects Development Limited	260,000	26.00%	260,000	26.00%
	<u>1,000,000</u>	<u>100.00%</u>	<u>1,000,000</u>	<u>100.00%</u>
0.01 %, Redeemable non-convertible non-cumulative preference shares				
Vistra ITCL India Limited	37,000,000	74.00%	37,000,000	74.00%
Godrej Projects Development Limited	13,000,000	26.00%	13,000,000	26.00%
	<u>50,000,000</u>	<u>100.00%</u>	<u>50,000,000</u>	<u>100.00%</u>

h) **Shares reserved for Optionally Convertible Debentures:**

For 12% Unsecured Optionally Convertible Debentures (OCD) - The optionally convertible debentures (OCDs) allotted INR 20,400,000 (Previous year INR 19,600,000) of INR 100 each shall be converted into equity shares at the price and procedures stated under the pricing guidelines under the FEMA Regulations and Applicable Laws as on conversion date. (Refer note 10)



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued) as at March 31, 2019

(Currency in INR Lakhs)

Particulars	March 31, 2019	March 31, 2018
9 Borrowings (Non-Current)		
Unsecured Preference Shares		
50,000,000 (Previous Year: 50,000,000) 0.01 % redeemable non-convertible non-cumulative preference shares (Refer Note below)	2,396.45	5,000.00
	<u>2,396.45</u>	<u>5,000.00</u>

Note :

The Company has only one class of Redeemable Preference Share (RPS) having a face value of INR 10/- per share. The tenor of the RPS shall be 8 years, or such extended term as may be determined by the Board with the prior written consent of the RPS Holders. From and including the date of allotment of the RPS, the RPS Holders shall be entitled to receive a non-cumulative dividend at a rate of 0.01% , on the outstanding face value of RPS or dividend at such rate equal to or higher than the Equity Shareholders as determined by the Equity Shareholders and the RPS Holders subject to availability of Free Cash as defined in Share Holder's Agreement. The RPS shall not carry any voting rights, except in respect of terms stated in the securities subscription agreement or any matter which directly affects the rights of the RPS.

10 Borrowings (Current)

Secured Loans

From Others

Term Loan - HDFC Limited (Refer note (c) below)

3,100.00

Line Of Credit (Loc)- HDFC Limited (Refer note (d) below)

6,000.00

Unsecured Loans

From Others

Loan from Related party (Refer Note (b) below)

2,386.13

Unsecured Debentures

Optionally Convertible Debentures (OCD) (Refer Note (a) below)

23,475.69

20,603.50

32,575.69

22,989.63

Note

(a) 20,400,000 (Previous Year: 19,600,000) 12% Unsecured Optionally Convertible Debentures (OCD) of INR 100/- each , OCD Holders shall have an unfettered right to opt for conversion into equity share at any time till the end of 36 months from the date of issuance of debentures or such time as may be mutually agreed between the Parties. Such conversion shall be in proportion to the respective holdings of each of the OCD Holder. Upon mutual agreement between the Parties for conversion, the Company shall within 7 (Seven) days of receipt of notice stated above complete the conversion of the relevant OCD by the issue and allotment, of the relevant number of fully paid up Equity Shares to be issued upon conversion of the relevant OCD at the price and procedures stated under the pricing guidelines under the FEMA Regulations and Applicable Laws.

The term of the OCDs shall be 84 months. In the event, the OCDs are not converted into Equity Shares by the end of the term, the same shall be redeemed.

(b) Unsecured loan taken from a Related party bearing interest rate at the rate of 12.00 % p.a. (Previous Year 12% p.a.) and the same has been repaid during the year .

(c) Secured term loan:

Total Sanctioned amount of INR 20,000 Lakhs (Previous Year Nil) bearing interest @ CPLR minus 900 BPS (Previous Year Nil) and secured by way of mortgage of land admeasuring 24 hectares 04.88 ares lying being and situated at village mamurti taluka haveli district pune and exclusive charge on receivables under the documents entered into with the customers of the funded project by the borrower and all insurance proceeds both present and future and repayable within 60 months from the date of first disbursement or earlier as HDFC's Limited option .

(d) Secured term loan:

Total Sanctioned amount of INR 10,000 Lakhs (Previous Year Nil) bearing interest @ CPLR minus 900 BPS (Previous Year Nil) and secured by way of mortgage of land admeasuring 24 hectares 04.88 ares lying being and situated at village mamurti taluka haveli district pune and exclusive charge on receivables under the documents entered into with the customers of the funded project by the borrower and all insurance proceeds both present and future and repayable within 60 months from the date of first disbursement or earlier as HDFC's Limited option .

11 Other Current Financial Liabilities

Payable for Expenses

2.34

2.34

12 Other Current Non Financial Liabilities

Statutory Dues

264.20

33.97

Advances Received Against Sale of Flats

2,013.51

2,277.71

33.97



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2019

(Currency in INR Lakhs)

	March 31, 2019	March 31, 2018
13 Other Income		
Income from Investment measured at FVTPL	1.05	-
Profit on Sale of Investments (net)	2.04	25.22
	<u>3.09</u>	<u>25.22</u>
14 Cost of Materials Consumed		
Land	-	23,962.32
Construction, Material and Labour	491.32	3.17
Architect Fees	185.32	4.00
Finance Costs	3,196.76	1,165.77
Other Costs	3,237.40	3,296.22
	<u>7,110.80</u>	<u>28,431.48</u>
15 Changes in Inventories of construction work in progress		
Inventories at the beginning of the year		
Construction Work-in-Progress	<u>28,431.48</u>	-
	28,431.48	-
Inventories at the end of the year		
Construction Work-in-Progress	<u>35,542.28</u>	28,431.48
	35,542.28	28,431.48
	<u>(7,110.80)</u>	<u>(28,431.48)</u>
16 Finance Costs		
Interest Expense	2,758.10	1,191.00
Other Borrowing costs	441.75	-
Total Finance Costs	<u>3,199.85</u>	<u>1,191.00</u>
Less : Transferred to construction work-in-progress	<u>(3,196.76)</u>	<u>1,165.77</u>
Net Finance Costs	<u>3.09</u>	<u>25.23</u>
17 Depreciation Expenses		
Depreciation on Property, Plant and Equipment	1.22	-
	<u>1.22</u>	<u>-</u>
18 Other Expenses		
Consultancy Charges	23.43	-
Filing and Registration	-	55.27
Rates and Taxes	0.67	-
Advertisement and Marketing Expense	1,708.99	3.85
Business Support Services	92.40	-
Travelling Expenses	18.74	-
Marketing office	-	-
Other Expenses *	55.89	2.10
	<u>1,900.12</u>	<u>61.22</u>

* includes payment to auditors (net of taxes) amounting to INR 1.15 lakhs (Previous Year INR 0.83 lakhs) (Refer Note 25).



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2019

(Currency in INR Lakhs)

19 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, 2019	March 31, 2018
(i) (Loss) attributable to ordinary shareholders (basic and diluted)		
(Loss) for the year, attributable to ordinary shareholders of the Company	(1,349.34)	(45.46)
	<u>(1,349.34)</u>	<u>(45.46)</u>
(ii) Weighted average number of ordinary shares (basic and diluted)		
Weighted Average number of Equity Shares at the beginning of the year	1,000,000	1,000
Weighted Average number of shares issued during the year	-	473,770
Weighted Average number of shares at the end of the year	<u>1,000,000</u>	<u>474,770</u>
Basic and Diluted Earnings Per Share (INR) of face value of INR 10/- each	(134.93)	(9.58)

b) Diluted Earnings Per Share

The Optionally Convertible Debentures can be converted into equity shares within 36 months from the date of issue or earlier based on the conversion of the relevant OCD by the issue and allotment, of the relevant number of fully paid up Equity Shares to be issued upon conversion of the relevant OCD at the price and procedures stated under the pricing guidelines under the FEMA Regulations and Applicable Laws. In view of the same, the dilutive shares cannot be computed as the conversion ratio is not available as at the balance sheet date.

- c) Dividend on preference shares has not been considered for diluted earnings per share, as the Company has incurred loss during the year and the preference dividend is non-cumulative.



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2019

(Currency in INR Lakhs)

20 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, 2019	Carrying amount			Level 1	Fair value		
	Fair value through profit or loss	Amortised Cost	Total		Level 2	Level 3	Total
Financial Assets							
Current							
Investments	1,251.61	-	1,251.61	1,251.61	-	-	1,251.61
Cash and cash equivalents	-	1,155.29	1,155.29	-	-	-	-
	1,251.61	1,155.29	2,406.90	1,251.61	-	-	1,251.61
Financial Liabilities							
Non-Current							
Borrowings	-	2,396.45	2,396.45	-	2,396.45	-	2,396.45
Current							
Borrowings	-	32,575.69	32,575.69	-	32,575.69	-	32,575.69
Trade Payables	-	802.10	802.10	-	-	-	-
Other Current Financial Liabilities	-	2.34	2.34	-	-	-	-
	-	35,776.57	35,776.57	-	34,972.14	-	34,972.14

March 31, 2018	Carrying amount			Level 1	Fair value		
	Fair value through profit or loss	Amortised Cost	Total		Level 2	Level 3	Total
Financial Assets							
Current							
Cash and cash equivalents	-	1.09	1.09	-	-	-	-
	-	1.09	1.09	-	-	-	-
Financial Liabilities							
Non Current							
Borrowings	-	5,000.00	5,000.00	-	5,000.00	-	5,000.00
Current							
Borrowings	-	22,989.63	22,989.63	-	22,989.63	-	22,989.63
Trade Payables	-	965.38	965.38	-	-	-	-
	-	28,955.01	28,955.01	-	27,989.63	-	27,989.63



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2019

(Currency in INR Lakhs)

20 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 liabilities measured at amortised cost) which involves determination of the present value of expected payments, discounted using bank rate.

c) Risk Management Framework

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

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

d) Financial risk management

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

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



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2019

(Currency in INR Lakhs)

20 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 investments in debt securities .

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

Trade Receivables

The Company does not have any trade receivables and other receivables as at March 31, 2019.

Investment in Mutual Funds

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

Cash and Bank balances

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



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2019

(Currency in INR Lakhs)

20 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 market through loan from related parties, debentures. The Company invests its surplus funds in debt based mutual funds.

Exposure to liquidity risk

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

March 31, 2019	Carrying Amount	Total	Contractual cash flows			
			Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Non-Current						
Borrowings	2,396.45	5,000.00	-	-	-	5,000.00
Current						
Borrowings	32,575.69	37,183.13	746.88	4,609.28	12,418.80	19,408.16
Trade Payables	802.10	802.10	802.10	-	-	-
Other Current Financial Liabilities	2.34	2.34	2.34	-	-	-

March 31, 2018	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Non Current						
Borrowings	5,000.00	5,000.00	-	-	-	5,000.00
Current						
Borrowings	22,989.63	38,413.00	2,617.61	235.20	10,200.69	25,359.50
Trade Payables	965.38	965.38	965.38	-	-	-



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2019

(Currency in INR Lakhs)

20 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 reasonable, competitive cost

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, 2019	March 31, 2018
Financial liabilities		
Fixed rate instruments	25,400.00	24,600.00
Variable Rate Instrument	9,100.00	-

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.

21 Capital Management

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

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

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

Particulars	March 31, 2019	March 31, 2018
Net debt	30,168.79	27,988.54
Total equity	1,684.47	53.95
Net debt to Equity ratio	17.91	518.79



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2019

(Currency in INR Lakhs)

22 Related Party Disclosures

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

I. Co- Venturers

- (i) Vistra ITCL India Limited holds 74% (Previous Year 74%) shares in the Company
- (ii) Godrej Project Development Limited (GPD) holds 26% (Previous Year 74%) shares in the Company . GPD is subsidiary of Godrej Properties Limited .

II. Key Managerial Personnel :

- (i) Neeraj Gupta (Director)
- (ii) Amandeep Singh (Director)
- (iii) Girish Goenka (Chief Financial Officer)
- (iv) Rabikant Sharma (Manager)

III. Other Related Parties (Group Companies)

- (i) HDFC ERGO General Insurance Company Limited
- (ii) Housing Development Finance Corporation Limited
- (iii) Godrej Properties Limited (GPL)

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

Nature of Transaction	Vistra ITCL India Limited	Godrej Projects Development Limited (GPD)	Godrej Properties Limited (GPL)	Housing Development Finance Corporation Limited	Other Related Parties	Total
Transactions during the Year						
Expenses charged by other Companies / Entities						
Current Year	-	-	182.91	45.50	0.39	228.80
Previous Year	-	14.23	-	-	-	14.23
Interest on Debentures						
Current Year	1,712.67	601.75	-	-	-	2,314.42
Previous Year	784.83	289.33	-	-	-	1,074.16
Development Management Fees						
Current Year	-	-	158.56	-	-	158.56
Previous Year	-	-	3,000.00	-	-	3,000.00
Interest on Borrowings						
Current Year	-	407.56	-	36.13	-	443.69
Previous Year	-	116.84	-	-	-	116.84
Issue of Equity Shares						
Current Year	-	-	-	-	-	-
Previous Year	73.93	25.97	-	-	-	99.90
Issue of Preference Shares						
Current Year	-	-	-	-	-	-
Previous Year	3,700.00	1,300.00	-	-	-	5,000.00
Issue of Debentures						
Current Year	592.00	208.00	-	-	-	800.00
Previous Year	14,504.00	5,096.00	-	-	-	19,600.00
Loans Obtained						
Current Year	-	3,519.23	10.30	9,100.00	-	12,629.53
Previous Year	-	2,733.59	-	-	-	2,733.59
Loans Repaid						
Current Year	-	5,905.35	10.30	-	-	5,915.65
Previous Year	-	468.00	-	-	-	468.00



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2019

(Currency in INR Lakhs)

22 Related Party Disclosures (Continued)

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

Nature of Transaction	Vistra ITCL India Limited	Godrej Projects Development Limited (GPD)	Godrej Properties Limited (GPL)	Housing Development Finance Corporation Limited	Other Related Parties	Total
Balance Outstanding as on March 31, 2019						
Amount Payables						
Current Year	-	-	61.30	9,100.00	-	9,161.30
Previous Year	-	2,386.13	-	-	-	2,386.13
Debtenture Outstanding						
Current Year	14,957.67	5,255.40	-	-	-	20,213.07
Previous Year	14,458.49	5,080.01	-	-	-	19,538.50
Debtenture Interest Outstanding						
Current Year	845.71	2,416.91	-	-	-	3,262.62
Previous Year	274.79	790.22	-	-	-	1,065.00
Equity Component of Compound Financial Instruments						
Current Year	1,773.37	623.08	-	-	-	2,396.45
Previous Year	3,700.00	1,300.00	-	-	-	5,000.00



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued) for the year ended 31 March 2019

(Currency in INR Lakhs)

23 First time Adoption of Ind AS 115 - Revenue from Contracts with Customers

- (a) Ind AS 115 has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and is effective from accounting period beginning on or after April 01, 2018. The Company has applied full retrospective approach in adopting the new standard (for all contracts other than completed contracts) w.e.f April 01, 2017.
- (b) **Explanation of transition to Ind AS 115**
- (i) There is no impact on the measurement of revenue and retained earnings as at April 01, 2018 on account of implementation of Ind AS 115 "Revenue from contracts with customers". Accordingly, the comparative information is not restated.
- (ii) **Reconciliation of net-worth**
There is no impact on the net worth as at April 01, 2017 and March 31, 2018 on adoption of Ind AS 115.
- (iii) **Reconciliation of Total comprehensive income for the year ended on 31 March 2018**
There is no impact on the total comprehensive income for the year ended March 31, 2018 on adoption of Ind AS 115
- (iv) **Reconciliation of Earnings per share for the year ended on 31 March 2018**
There is no impact on the earnings per share for the year ended March 31, 2018 on adoption of Ind AS 115.
- (c) Significant changes in contract asset and contract liabilities balances are as follows:

Particulars	March 31, 2019	March 31, 2018
Contract liability		
At the beginning of the reporting period	-	-
Cumulative catch-up adjustments affecting contract liability	1,993.58	-
Significant financing component	19.94	-
At the end of the reporting period	2,013.51	-

(d) **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.



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended 31 March 2019

(Currency in INR Lakhs)

23 First time Adoption of Ind AS 115 - Revenue from Contracts with Customers (Continued)

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, 2019 is INR 32,032.07 lakhs. This will be recognised as revenue over a period of one to four years .

The Company applies practical expedient in paragraph C6(a) of Ind AS 115 and does not disclose information about the amount of the transaction price allocated to the remaining performance obligations and an explanation of when the entity expect to recognise the amount as revenue for all the reporting period presented before the date of initial application .



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued) for the year ended March 31, 2019

24 Contingent Liabilities and Commitments

a) Contingent Liabilities

Matters	March 31, 2019	March 31, 2018
I) Claims against Company not Acknowledged as debts:	Nil	Nil

b) Commitments

Particulars	March 31, 2019	March 31, 2018
(i) Capital Commitment (includes for CWIP under Construction)	Nil	Nil

- (ii) The Company enters into construction contracts for Civil, Elevator, External Development, MEP work etc. with its vendors. The total amount payable under such contracts will be based on actual measurements and negotiated rates, which are determinable as and when the work under the said contracts are completed.

25 Payment to Auditors (net of taxes)

Particulars	March 31, 2019	March 31, 2018
Statutory Audit Fees (refer note (a) below)	2.20	1.50
Reimbursement of Expenses	0.09	-
Total	2.29	1.50

a) Of the total audit fees, an amount of INR 1.14 lakhs (Previous Year : INR 0.67 lakhs) has been transferred to Construction work-in-progress.

- 26 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 are no amounts outstanding towards principal and interest as on March 31, 2019 and March 31, 2018 under the Micro, Small and Medium Enterprises Development Act, 2006.

27 Segment Reporting

A. Basis of Segmentation

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

For management purposes, the Company has only one reportable segments namely, Development of real estate property.

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 year ended March 31, 2019 (No customers for the year ended March 31, 2018) constituted 10% or more of the total revenue of the Company.



Godrej Skyline Developers Private Limited

Notes Forming Part of Financial Statements (Continued) for the year ended March 31, 2019

- 28 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.
- 29 The disclosure regarding details of specified bank note held and transacted during 8 November 2016 to 30 December 2016 have not made since the requirement does not pertain to financial year ended March 31, 2019.

As per our report of even date.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-10002



MANSI PARDIWALLA
Partner
Membership No: 108511

Mumbai
April 27, 2019

**For and on behalf of the Board of Directors of
Godrej Skyline Developers Private Limited**
CIN: L74120MH1985PLC035308



NEERAJ GUPTA
Director
DIN: 00007208

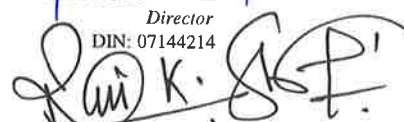


GIRISH GOENKA
Chief Financial Officer

Mumbai
April 27, 2019



AMANDEEP SINGH
Director
DIN: 07144214



RABI KANT SHARMA
Manager