

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GODREJ HOME CONSTRUCTIONS PRIVATE LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **GODREJ HOME CONSTRUCTIONS PRIVATE LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the period April 15, 2015 to March 31, 2016, then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**KALYANIWALLA
& MISTRY**

Opinion

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 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 March 31, 2016, and its profit and its cash flows for the period April 15, 2015 to March 31, 2016.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company has made provision, as required under the applicable law or accounting standard, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

**KALYANIWALLA
& MISTRY**

- iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W**



**FARHAD M. BHESANIA
PARTNER
Membership Number 127355
Place: Mumbai
Dated: May 02, 2016**

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Financial statements for the period ended March 31, 2016.

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016:

- i. The Company does not have any Fixed Assets and Immovable Property, hence the provisions of sub clauses (a), (b) & (c) of paragraph 3 (i) of the Order are not applicable.
- ii. The inventory includes construction work in progress and cost of development rights in identified land. Physical verification of inventory has been conducted at reasonable intervals by the management. No material discrepancies were noticed on such verification.
- iii. 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 Act. Therefore, the provisions of sub-clause (a), (b) and (c) of paragraph 3(iii) of the Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us and the records examined by us, the Company has not advanced any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Therefore, the provisions of Clause 3 (iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any Deposits from the public and hence 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 are not applicable.
- vi. In our opinion and according to the information and explanations given to us, the maintenance of cost records under sub section (1) of Section 148 of the Act is not applicable to the Company under the Companies (Cost Record and Audit) Rules, 2014.
- vii. (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities, wherever applicable and there are no such outstanding dues as at March 31, 2016, 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 outstanding of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value added tax on account of any dispute.
- viii. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to debenture holders. The Company does not have any loans or borrowings from financial institutions, banks or government.

**KALYANIWALLA
& MISTRY**

- ix. According to the information and explanations given to us, the Company has not raised moneys through initial public offer or further public offer (including debt instruments) and term loans, hence the provisions of paragraph 3 (ix) of the Order are not applicable.
- x. During the course of our examination of the books of account and records of the Company, and according to the information and explanations given to us and representations made by the Management, no material fraud by or on the Company by its officers or employees, has been noticed or reported during the period.
- xi. The Company is a private limited company, hence the provisions of section 197 read with Schedule V of the Act, are not applicable. Hence, the provisions of paragraph 3(xi) of the Order are not applicable.
- xii. In our opinion and according to the information and explanation given to us, the Company is not a 'Nidhi Company', hence the provisions of paragraph 3 (xii) of the Order are not applicable.
- xiii. According to the information and explanation given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. The Company has made a preferential allotment of shares and fully paid compulsorily convertible debentures during the period. The provisions of Section 42 of the Act have been complied with and the amount raised has been used for the purpose for which the funds were raised.
- xv. According to the information and explanation given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with him. Hence the provisions of Section 192 of the Act are not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, hence the provisions of paragraph 3 (xvi) of the Order are not applicable.

For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Registration Number 1046073W



FARHAD M. BHESANIA
PARTNER
Membership Number 127355
Place: Mumbai
Dated: May 02, 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the financial statements for the period ended March 31, 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **GODREJ HOME CONSTRUCTIONS PRIVATE LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies; the safeguarding of its assets; the prevention and detection of frauds and errors; the accuracy and completeness of the accounting records; and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 over financial reporting.

**KALYANIWALLA
& MISTRY**

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting 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 control over financial reporting includes 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting 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".

**For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS**
Firm Registration Number 104607W



FARHAD M. BHOSANIA
PARTNER
Membership Number 127355
Place: Mumbai
Dated: May 02, 2016

NOTE 1

Accounting Policies

a) Company Overview

Godrej Home Constructions Private Limited ("the Company") was incorporated on April 15, 2015. The Company is a real estate developer engaged primarily in the business of real estate construction, development and other related activities. The Company is domiciled in India.

b) Basis of Preparation

The financial statements of the Company have been prepared on accrual basis under the historical cost convention and on going concern basis in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under section 133 of The Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of The Companies Act, 2013 ('the Act') / The Companies Act, 1956, as applicable. The accounting policies have been consistently applied by the Company.

c) Operating Cycle

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

d) Fixed Assets

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. Cost includes all incidental expenses related to acquisition and installation, other pre-operation expenses and interest in case of construction.

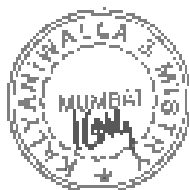
Carrying amount of cash generating units / assets are reviewed at balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated as the net selling price or value in use, whichever is higher. Impairment loss, if any, is recognized whenever carrying amount exceeds the recoverable amount.

e) Depreciation / Amortization

Depreciation has been provided on written down value basis, at the rates determined with reference to the useful lives specified in Schedule II of the Companies Act, 2013.

Intangible Assets are amortized over a period of 6 years.

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



f) Inventories

Inventories are valued as under :

- a) Completed Flats - At lower of Cost or Net Realisable Value
- b) Construction Work-in-Progress - At Cost

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

g) Revenue Recognition

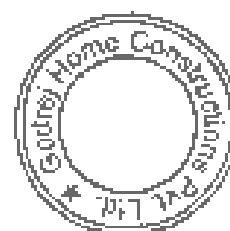
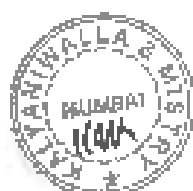
The Company is following the "Percentage of Completion Method" of accounting. As per this method, revenue from sale of properties is recognized in Statement of Profit & Loss in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the Company on transfer of significant risk and rewards to the buyer.

Effective 1st April 2012, in accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)" (Guidance Note), project commencing on or after the said date or project which have already commenced, but where the revenue is recognized for the first time on or after the above date, Construction revenue on such project has been recognized on percentage of completion method provided the following thresholds have been met:

- (a) All critical approvals necessary for the commencement have been obtained;
- (b) The expenditure incurred on construction and development costs is not less than 25 per cent of the total estimated construction and development costs;
- (c) At least 25 percent of the saleable project area is secured by contracts or agreements with buyers; and
- (d) At least 10 percent of the agreement value is realized at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

Determination of revenues under the percentage of completion 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 recognized in the financial statements for the period in which such changes are determined. Revenue from projects is recognized net of revenue attributable to the land owners. Losses, if any, are fully provided for immediately.

Interest income is accounted on an accrual basis at contracted rates.



h) Borrowing Cost

Interest and finance charges incurred in connection with borrowing of funds, which are incurred for the development of long term projects are transferred to Construction Work-in-Progress, as a part of the cost of the projects at weighted average of the borrowing cost.

i) Earnings per Share

The basic earnings per share is computed using the weighted average number of common shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the period, except where the results would be anti-dilutive.

j) Foreign Currency Transactions

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Assets and liabilities related to foreign currency transactions, remaining unsettled at the year end, are translated at the year-end exchange rates. Forward exchange contracts, remaining unsettled at the year end, backed by underlying assets or liabilities are also translated at year end exchange rates. The premium payable on foreign exchange contracts is amortized over the period of the contract. Exchange gains / losses are recognized in the Statement of Profit and Loss.

k) Provision for Taxation

Tax expense comprises both current and deferred tax.

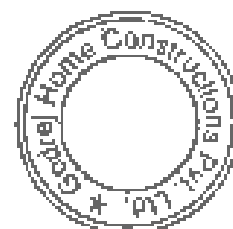
Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The tax effect is calculated on the accumulated timing difference at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

l) Provisions and Contingent Liabilities

Provisions are recognized in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.

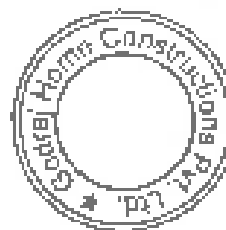
Contingent liabilities are disclosed in respect of possible obligations that arise from the past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.



GODREJ HOME CONSTRUCTIONS PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31.03.2016 Rupees
NOTE 2	
SHARE CAPITAL	
AUTHORISED	
4,500,000 Equity shares of Rs.10/- each	45,000,000
	<u>45,000,000</u>
ISSUED, SUBSCRIBED & PAID UP	
4,270,000 Equity shares of Rs.10/- each fully paid up	42,700,000
	<u>42,700,000</u>
(a) Reconciliation of number of shares:	
	31.03.2016
	No. of Shares Rs.
Number of Shares outstanding at the beginning of the period	-
Addition during the period	4,270,000
Number of Shares outstanding at the end of the period	4,270,000
	31.03.2016
	No. of Shares Rs.
(b) Share holding information:	
Shubh Properties Coöperative U.A. (Holding Company)	3,088,918 30,889,180
	31.03.2016
	No. of Shares %
(c) Shareholders holding more than 5% of Equity Shares	
Shubh Properties Coöperative U.A.	3,088,918 72%
Godrej Properties Limited	1,071,770 25%
(d) Rights, preferences and restrictions attached to shares:	
The Company has only one class of equity share having a par value of Rs.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.	
NOTE 3	
RESERVES & SURPLUS	
Securities Premium	
As per last Balance Sheet	-
Addition during the period	44,200,000
Closing Balance	<u>44,200,000</u>
Surplus in Statement of Profit & Loss	
As per last Balance Sheet	-
Profit for the period	891,236
Closing Balance	<u>891,236</u>
TOTAL RESERVES & SURPLUS	<u>45,091,236</u>



GOOREJ HOME CONSTRUCTIONS PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

As at
31.03.2016
Rupees

NOTE 4

DEFERRED TAX LIABILITIES (NET)

Liabilities

Others

399,000

399,000

NOTE 5

SHORT TERM BORROWING

Loan Repayable on Demand

17.45% Compulsorily Convertible Debentures (CCD) - Class A (Refer Note 5 (a))

1,192,031,000

17.45% Compulsorily Convertible Debentures (CCD) - Class B (Refer Note 5 (b))

413,949,000

17.45% Compulsorily Convertible Debentures (CCD) - Class C (Refer Note 5 (c))

42,219,000

1,648,199,000

(a) Each Class A CCD shall be compulsorily convertible into Equity Share on July 15, 2020 or within 5 years from the date of allotment, whichever is earlier, on the basis of the fair market value per share of the company at the time of conversion calculated as per discounted cash flow methodology, or the minimum price determined as per the Indian exchange control regulations for conversion of Class A CCDs into Equity Share, whichever is higher.

(b) Each Class B CCD shall be compulsorily convertible into Equity Share on July 15, 2020 or within 5 years from the date of allotment, whichever is earlier, on the basis of the fair market value per share of the company at the time of conversion calculated as per discounted cash flow methodology, or the minimum price determined as per the Indian exchange control regulations for conversion of Class B CCDs into Equity Share, whichever is higher.

(c) Each Class C CCD shall be compulsorily convertible into Equity Share on July 15, 2020 or within 5 years from the date of allotment, whichever is earlier, on the basis of the fair market value per share of the company at the time of conversion calculated as per discounted cash flow methodology, or the minimum price determined as per the Indian exchange control regulations for conversion of Class C CCDs into Equity Share, whichever is higher.

NOTE 6

OTHER CURRENT LIABILITIES

Interest Accrued but not due on borrowings

172,902,212

Statutory Dues

19,785,738

Other Liabilities

Outstanding dues to Micro Enterprises & Small Enterprises

50,626

Outstanding dues to creditors other than Micro Enterprises & Small Enterprises

3,126,114

195,864,690

NOTE 7

LONG TERM LOANS & ADVANCES

Advance Tax and Tax Deducted at Source (Net of Provision for tax Rs. Nil)

340,000

340,000

NOTE 8

INVENTORIES

Construction Work in Progress

1,780,961,164

1,780,961,164



GODREJ HOME CONSTRUCTIONS PRIVATE LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

As at
31.03.2016
Rupees

NOTE 9**CASH & BANK BALANCES****Cash and Cash Equivalents**

Cash in hand

113

Balances with Bank - In Current Accounts

464,679

Investments in Mutual Funds (Refer Note 9 (a))

139,727,054

140,191,846

(a) Investment in Debt Mutual Funds :

i) Taurus - Liquid Fund Super IP Growth

42,709,237

ii) LTM Money Market - IP Growth

60,400,000

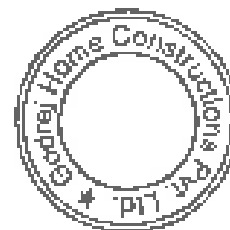
iii) DHFL Pramerica Insta Cash Plus Fund - Growth

37,017,817

139,727,054**NOTE 10****SHORT TERM LOANS & ADVANCES**

Unsecured, Considered good

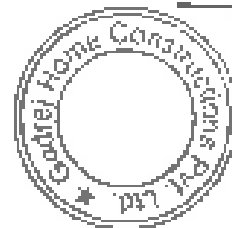
Loans and Advances to Others

11,761,11111,761,111

GODREJ HOME CONSTRUCTIONS PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	For the Period 15.04.2015 to 31.03.2016 Rupees
NOTE 11	
OTHER INCOME	
Profit on sale of Mutual Funds	1,329,431
	<u>1,329,431</u>
NOTE 12	
COST OF SALES	
Opening Stock	-
Add : Expenditure during the period	
Land	1,500,000,000
Construction	21,662,108
Architect Fees	7,477,746
Other Cost	59,609,822
Interest	192,117,488
	<u>1,780,961,164</u>
Less: Closing Stock	-
Cost of Sales	<u>1,780,961,164</u>
NOTE 13	
FINANCE COST	
Interest Expense	
Others	3,918
Interest on Income Tax / Service Tax	39,195
Debitures	192,113,570
Total Interest Expense	<u>192,156,683</u>
Less: Capitalised to Project	192,117,488
NET FINANCE COST	<u>39,195</u>



GODREJ HOME CONSTRUCTIONS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 14

Does to Micro and Small Enterprise

Disclosure of trade payables and other liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small & Medium Enterprises Development Act 2006". There is no amount overdue as on 31st March, 2016 to Micro & Small Enterprises on account of principal amount together with interest and also during the previous year.

Particulars	Current Year Rs.	Previous Year Rs.
The principal amount remaining unpaid to suppliers	-	-
The interest due thereon remaining unpaid to suppliers	-	-
The amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-

NOTE 15

Amounts* paid to Auditors

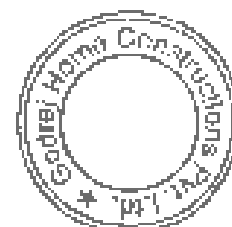
Particulars	For the Period 15.04.2015 to 31.03.2016 Rs.
Audit Fees	60,000
Audit Under Other Statutes	75,000
Total	135,000

*Represents Amount net of applicable taxes.

NOTE 16

Segment Information

As the company has only one business segment, disclosure under Accounting Standard 17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.



GODREJ HOME CONSTRUCTIONS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 17

Related Party Disclosures:

Related party disclosures as required by AS-18, "Related Party Disclosures", are given below:

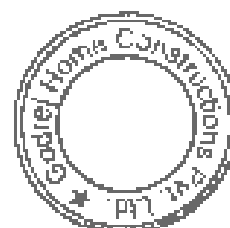
1. Relationships:

Shareholders

- i) Shubh Properties Coöperatief U.A. holds 72.34% shares in the company, the Ultimate Holding Company.
- ii) Godrej Properties Limited (GPL) holds 25.10% of the Share Capital of the Company.
- iii) Gagan Chopra C/o Heritage Investments holds 2.56% of the Share Capital of the Company.

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

(Amount in Rs.)					
Sl. No.	Particulars	Godrej Properties Limited	Shubh Properties Coöperatief U.A.	Gagan Chopra C/o Heritage Investments	Natures Basket Ltd.
1	Issue of Equity Share – Capital (including Share Premium)	21,811,900	62,863,460	2,224,640	-
2	Issue of Compulsory convertible Debentures	413,949,000	1,193,031,000	42,219,000	-
3	Compulsory Convertible Debentures Interest Payable	48,220,512	138,974,993	4,918,064	-
4	Loan Received	1,000,000	-	-	-
5	Loan Repaid	1,000,000	-	-	-
6	Advances Received	5,336,199	-	-	-
7	Advances Repaid	5,336,199	-	-	-
8	Expenses Charged by other companies	38,087,425	-	-	10,000
9	Project Taken over	512,044	-	-	-
10	Outstanding payable	43,398,461	-	-	-



GODREJ HOME CONSTRUCTIONS PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 18

Earnings Per Share

Particulars	For the Period 15.04.2015 to 31.03.2016
Profit after tax as per Statement of Profit & Loss (Rs.)	8,91,236
Number of Equity shares outstanding at the end of the year	4,270,000
Weighted average no. of equity shares outstanding	3,006,410
Add: Weighted average number of potential equity shares on account of Compulsorily Convertible Debentures *	-
Weighted average no. of common & dilutive common equity shares outstanding	3,006,410
Basic earnings per share (Rs.)	0.30
Diluted earnings per share * (Rs.)	-
Nominal value of shares (Rs.)	10

* The Compulsorily Convertible Debentures will be converted into Equity Shares on July 15, 2020 based on the fair value. Dilutive shares cannot be considered as the conversion ratio is not available as on date.

NOTE 19

The Company was incorporated on April 15, 2015, and hence the accounts have been prepared from the date of incorporation upto March 31, 2016. This being the first financial year for the company, previous year figures have not been disclosed.

