

KALYANIWALLA & MISTRY LLP

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT TO THE PARTNERS OF AMITIS DEVELOPERS LLP

Report on the Financial Statements

We have audited the accompanying financial statements of **AMITIS DEVELOPERS LLP** ("the LLP"), which comprises the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the LLP in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the Institute of Chartered Accountants of India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the LLP 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 controls relevant to the LLP'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, but not for the purpose of expressing an opinion on whether the LLP has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, 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.



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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 Limited Liability Partnership Act, 2008 and Limited Liability Partnership Rules, 2009 (as amended) 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 LLP as at March 31, 2017, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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 LLP 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 issued by the Institute of Chartered Accountants of India.

**For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166**



**FARHAD M. BHESANIA
PARTNER
Membership Number 127355
Place: Mumbai
Dated: April 28, 2017**

AMITIS DEVELOPERS LLP
BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Note No.	As at 31.03.2017 INR	As at 31.03.2016 INR
CAPITAL AND LIABILITIES			
Capital Account			
Partners' Capital Account	2	287,824	1,000,000
Reserves & Surplus	3	-	-
Total Capital Account		287,824	1,000,000
Current Liabilities			
Short Term Borrowing	4	246,767,980	109,430,802
Trade Payables			
- Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 12)		-	-
- Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		2,767,512	-
Other Current Liabilities	5	15,396,766	7,806,278
Total Current Liabilities		264,932,258	117,237,080
Total Capital And Liabilities		265,220,082	118,237,080
ASSETS			
Non Current Assets			
Deferred Tax Asset	6	307,000	-
Total Non Current Assets		307,000	-
Current Assets			
Inventories	7	78,191,160	16,111,057
Cash & Bank Balance	8	123,661	1,043,000
Short Term Loans & Advances	9	186,598,261	101,083,023
Total Current Assets		264,913,082	118,237,080
Total Assets		265,220,082	118,237,080

ACCOUNTING POLICIES

1

The accompanying notes 1 to 17 form an integral part of financial statements

As per our report of even date.

Signatures to the Balance Sheet and Notes to Financial Statements

For KALYANIWALLA & MISTRY LLP

CHARTERED ACCOUNTANTS

Firm Registration Number 104607W/W100166



FARHAD M. BHESANIA
PARTNER

Membership Number 127355

Mumbai, Dated : April 28, 2017



SUBHA CHAKRABARTI
DESIGNATED PARTNER
DIN NO. 02203096



NUMAZAR DORAB MEHTA
DESIGNATED PARTNER
DIN NO. 00024802

AMITIS DEVELOPERS LLP
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Note No.	For the Year Ended 31.03.2017 INR	For the Year Ended 31.03.2016 INR
INCOME			
EXPENDITURE			
Cost of sales	10		
Finance Cost	11		
Other Expenses		1,019,176	-
TOTAL EXPENSES		1,019,176	-
(LOSS) BEFORE TAX		(1,019,176)	-
Tax Expenses for Current Tax for Deferred Tax		(307,000) (307,000)	- -
(LOSS) FOR THE YEAR		(712,176)	-

ACCOUNTING POLICIES

1

The accompanying notes 1 to 17 form an integral part of financial statements

As per our report of even date
For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
 Firm Registration Number 104607W/W100166

Signatures to the Statement of Profit & Loss and Notes to Financial Statements



FARHAD M. BHESANIA
 PARTNER
 Membership Number 127355
 Mumbai, Dated : April 28, 2017



SUBHA CHAKRABARTI
 DESIGNATED PARTNER
 DIN NO. 02203096



NUMAZAR DORAB MEHTA
 DESIGNATED PARTNER
 DIN NO. 00024802

AMITIS DEVELOPERS LLP
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

Particulars	For the Year Ended March 31, 2017 INR	For the Year Ended March 31, 2016 INR
Cash Flow from Operating Activities		
(Loss) before Tax	(1,019,176)	-
Operating (Loss) before working capital changes	(1,019,176)	-
Adjustment for:		
(Increase) / Decrease in Inventory	(62,080,103)	(16,015,030)
(Increase) / Decrease in Loans & Advances	(85,515,238)	(81,083,023)
Increase / (Decrease) in Other Current Liabilities	10,358,000	7,710,251
	(138,256,517)	(89,387,802)
Taxes Paid (Net)	-	-
Net Cash Flow from Operating Activities	(138,256,517)	(89,387,802)
Net Cash Flow from Investing Activities	-	-
Cash Flow from Financing Activities		
Proceeds from Short Term Borrowings	137,337,178	89,430,802
Capital Contribution by Partners	-	1,000,000
Net Cash Flow from Financing Activities	137,337,178	90,430,802
Net Increase/ (Decrease) in Cash & Cash Equivalents	(919,339)	1,043,000
Cash & Cash Equivalents - Opening Balance	1,043,000	-
Cash & Cash Equivalents - Closing Balance	123,661	1,043,000

Notes :

1. Cash & Cash Equivalents:

Balances with Bank in Current Account	123,661	1,043,000
Cash & Cash Equivalents	123,661	1,043,000

As per our report of even date.

For KALYANIWALLA & MISTRY LLP

CHARTERED ACCOUNTANTS

Firm Registration Number 104607W/W100166



FARHAD M. BHESANIA
PARTNER

Membership Number 127355

Mumbai, Dated : April 28, 2017



SUBHA CHAKRABARTI
DESIGNATED PARTNER
DIN NO. 02203096



NUMAZAR DORAB MEHTA
DESIGNATED PARTNER
DIN NO. 00024802

AMITIS DEVELOPERS LLP
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 1

Accounting Policies

a) LLP Overview

Amitis Developers LLP was incorporated on January 08, 2015. The LLP is a real estate developer engaged primarily in the business of real estate construction, development and other related activities.

b) Basis of Preparation

The financial statements of the LLP have been prepared on accrual basis under the historical cost convention and on ongoing concern basis in accordance with generally accepted accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the Limited Liability Partnership Act, 2008.

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 respective projects

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 rate determined with reference to the useful lives specified in Schedule II of the Companies Act, 2013. Assets costing less than INR.5,000/- are depreciated at 100% in the year of acquisition.



AMITIS DEVELOPERS LLP
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

f) Inventories

Inventories are valued as under:

- a) Completed Flats - At Lower of Cost or Net realizable 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 LLP.

g) Revenue Recognition

The LLP 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 LLP on transfer of significant risk and rewards to the buyer.

In accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)" (Guidance Note), construction revenue on such projects have 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.



AMITIS DEVELOPERS LLP
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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 / Due on Management Project, as a part of the cost of the projects at weighted average of the borrowing cost / rates as per Agreements respectively.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

i) 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.

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 amortised over the period of the contract. Exchange gains / losses are recognised in the Statement of Profit and Loss.

k) 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 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 LLP.



AMITIS DEVELOPERS LLP

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31 2017

PARTICULARS	As At 31.03.2017 INR	As At 31.03.2016 INR
NOTE 2		
(i) Partners' Contribution to Capital		
Godrej Properties Limited.		
As per last Balance Sheet	460,000	-
Add: Contribution during the year	-	460,000
Closing Balance	<u>460,000</u>	<u>460,000</u>
Multicon Realty Limited		
As per last Balance Sheet	64,260	-
Add: Contribution during the year	-	64,260
Closing Balance	<u>64,260</u>	<u>64,260</u>
Numazar Dorab Mehta		
As per last Balance Sheet	237,870	-
Add: Contribution during the year	-	237,870
Closing Balance	<u>237,870</u>	<u>237,870</u>
Jahan Numazar Mehta		
As per last Balance Sheet	237,870	-
Add: Contribution during the year	-	237,870
Closing Balance	<u>237,870</u>	<u>237,870</u>
(ii) Partners' Share of Profit / (Loss) in LLP		
Godrej Properties Limited		
As per last Balance Sheet	-	-
Add: Share of Profit / (Loss) in LLP for the year transferred from Reserves & Surplus	(327,601)	-
Closing Balance	<u>(327,601)</u>	<u>-</u>
Multicon Realty Limited		
As per last Balance Sheet	-	-
Add: Share of Profit / (Loss) in LLP for the year transferred from Reserves & Surplus	(45,865)	-
Closing Balance	<u>(45,865)</u>	<u>-</u>
Numazar Dorab Mehta		
As per last Balance Sheet	-	-
Add: Share of Profit / (Loss) in LLP for the year transferred from Reserves & Surplus	(169,355)	-
Closing Balance	<u>(169,355)</u>	<u>-</u>
Jahan Numazar Mehta		
As per last Balance Sheet	-	-
Add: Share of Profit / (Loss) in LLP for the year transferred from Reserves & Surplus	(169,355)	-
Closing Balance	<u>(169,355)</u>	<u>-</u>
	<u>287,824</u>	<u>1,000,000</u>

NOTE 3

RESERVES & SURPLUS

(Deficit) in Statement of Profit & Loss

Balance as per last Balance Sheet	-	-
Profit/ (Loss) for the year	(712,176)	-
Less : Transferred to Partners' Share of Profit/ (Loss) in LLP	-	-
Share of Profit/ (Loss) Godrej Properties Limited	(327,601)	-
Share of Profit/ (Loss) Multicon Realty Ltd	(45,865)	-
Share of Profit/ (Loss) Numazar Dorab Mehta	(169,355)	-
Share of Profit/ (Loss) Jahan Numazar Mehta	(169,355)	-
Balance at the end of the year	<u>-</u>	<u>-</u>



AMITIS DEVELOPERS LLP

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31 2017

PARTICULARS	As At 31.03.2017 INR	As At 31.03.2016 INR
NOTE 4		
SHORT TERM BORROWING		
From Partners		
Unsecured Loan		
Godrej Properties Limited (Refer Note 4(a))	246,767,980	109,430,802
	<u>246,767,980</u>	<u>109,430,802</u>
(a) The above Unsecured Loan is repayable on demand and carries an interest rate of 9% p.a. (Previous Year 12% p.a.).		
NOTE 5		
OTHER CURRENT LIABILITIES		
Statutory Dues	1,935,462	984,951
Other Liabilities		
Outstanding dues of Micro and Small Enterprises (Refer Note 12)	-	-
Outstanding dues of creditors other than Micro and Small Enterprises	340,317	630,250
Interest Accrued but not due	13,120,987	6,191,077
	<u>15,396,766</u>	<u>7,806,278</u>
NOTE 6		
DEFERRED TAX ASSETS (NET)		
On Business Loss	307,000	-
	<u>307,000</u>	<u>-</u>
NOTE 7		
INVENTORIES		
Construction Work in Progress	78,191,160	16,111,057
	<u>78,191,160</u>	<u>16,111,057</u>
NOTE 8		
CASH & BANK BALANCE		
Cash & Cash Equivalent		
Balances with Bank - in Current Account	123,661	1,043,000
	<u>123,661</u>	<u>1,043,000</u>
NOTE 9		
SHORT TERM LOANS & ADVANCES		
Unsecured, Considered good		
Loans & Advances to Related Parties (Refer Note 9(a))	180,000,000	100,000,000
Other Advances	6,598,261	1,083,023
	<u>186,598,261</u>	<u>101,083,023</u>
(a) Advances to Related Parties		
Numazar Dorab Mehta	79,290,000	44,050,000
Jahan Numazar Mehta	79,290,000	44,050,000
Multicon Realty Limited	21,420,000	11,900,000
	<u>180,000,000</u>	<u>100,000,000</u>



AMITIS DEVELOPERS LLP**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31 2017**

PARTICULARS	For the Year Ended 31.03.2017 INR	For the Year Ended 31.03.2016 INR
NOTE 10		
COST OF SALES		
Opening Stock	16,111,057	96,027
Add : Expenditure during the year		
Construction, Material & Labour	11,657,936	-
Architect Fees	5,150,490	2,937,776
Advertisement Expenses	134,768	-
Other Cost	30,604,075	6,244,306
Interest	14,578,875	6,832,948
	<u>62,126,144</u>	<u>16,015,030</u>
Less : Transferred to Other Expenses (Refer Note 14)	46,041	-
Less : Closing Stock	<u>78,191,160</u>	<u>16,111,057</u>
Cost of Sales	<u>-</u>	<u>-</u>

NOTE 11**FINANCE COST**

Interest on loan from Partners	<u>14,578,875</u>	<u>6,832,948</u>
Total Interest Expense	<u>14,578,875</u>	<u>6,832,948</u>
Less: Capitalised to Project	<u>14,578,875</u>	<u>6,832,948</u>
	<u>-</u>	<u>-</u>



AMITIS DEVELOPERS LLP
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 12

Dues to Micro and Small Enterprises

Disclosure of trade payables and other liabilities is based on the information available with the LLP regarding the status of the suppliers as defined under the "Micro, Small & Medium Enterprises Development Act, 2006". The LLP does not have any Micro and Small enterprises as defined under the "Micro, Small & Medium Enterprises Development Act, 2006" as its suppliers.

NOTE 13

Amounts* paid to Auditors

Particulars	Current Year INR	Previous Year INR
Audit Fees	50,000	50,000
Total	50,000	50,000

* Represents amount net of applicable taxes

NOTE 14

The LLP has undertaken a detailed review to determine the manner of allocation of overheads to inventory and based on such review has refined the basis of allocation of such expenses to project inventory. In view of the same, the LLP has transferred INR 46,041/- from the opening balance of Construction Work in Progress to the Statement of Profit and Loss in the current year. Refer Note 10 to the Financial Statements.

NOTE 15

Segment Information

As the LLP 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.

NOTE 16

Related Party Disclosures

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

1. Relationships:

Partners

- i) Godrej Properties Ltd (GPL) (Control through voting rights) holds 46% of profit share in the LLP. GPL is the subsidiary of Godrej Industries Limited (GIL). GIL is a subsidiary of Vora Soaps Limited, the Ultimate Holding Company w.e.f. 30.3.2017. Godrej & Boyce Manufacturing Company Limited (G&B) was the Ultimate Holding Company upto 29.03.2017.



AMITIS DEVELOPERS LLP
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- ii) Mr. Numazar Dorab Mehta holds profit share of 23.79% in the LLP.
- iii) Mr. Jahan Numazar Mehta holds profit share of 23.79% in the LLP.
- iv) Multicon Realty Limited holds profit share of 6.42% in the LLP.

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

(Amount in INR)

Sr. No.	Particulars	Godrej Properties Limited	Numazar Dorab Mehta	Jahan Numazar Mehta	Multicon Realty Limited
1	Expenses charged by other companies	14,578,965 <i>6,833,127</i>	- -	- -	- -
2	Advances Received	131,146,000 <i>89,430,603</i>	- -	- -	- -
3	Advances Given	- -	35,240,000 35,240,000	35,240,000 35,240,000	9,520,000 9,520,000
4	Capital Introduced	- <i>460,000</i>	- 237,870	- 237,870	- 64,260
5	Share of (Losses)	(327,601) -	(169,355) -	(169,355) -	(45,865) -
6	Outstanding (Payables)/ Receivables	(259,888,967) <i>(115,621,860)</i>	79,290,000 44,050,000	79,290,000 44,050,000	21,420,000 11,900,000

Figures in italics are for previous year

NOTE 17

Previous year's figures have been regrouped/reclassified wherever necessary to conform to current year's classification.

