

**Wonder City Buildcon Private Limited**

Financial statements  
together with the  
Independent Auditors' Report  
for the year ended 31 March 2018

# Wonder City Buildcon Private Limited

## **Financial statements together with Independent Auditors' Report** *for the year ended 31 March 2018*

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## **Independent Auditors' Report**

### To the Members of Wonder City Buildcon Private Limited

#### **Report on the audit of the financial statements**

We have audited the accompanying financial statements of Wonder City Buildcon Private Limited ('the Company'), which comprise the balance sheet as at 31 March 2018, 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 summary of the significant accounting policies and other explanatory information (collectively referred to as 'the financial statements').

#### **Management's responsibility for the financial statements**

The Company's Board of Directors is responsible for the matters stated 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 state of affairs, profit (including 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) prescribed 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 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 is 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.

#### **Auditors' 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 of the financial statements 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.



## **Independent Auditors' Report (Continued)**

### **Wonder City Buildcon Private Limited**

#### **Auditors' responsibility (Continued)**

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 judgement, 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 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 are also responsible to 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

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.

#### **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 31 March 2018, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### **Other Matters**

The comparative financial statements of the Company as at and for the year ended 31 March 2017 included in these financial statements, are based on the previously issued financial statements prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act and audited by Kalyaniwalla & Mistry LLP for the year ended 31 March 2017 whose report dated 27 April 2017 expressed an unmodified opinion on those financial statements.

#### **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 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 said 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 (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this report are in agreement with the books of account;

**Independent Auditors' Report (Continued)**  
**Wonder City Buildcon Private Limited**

**Report on other legal and regulatory requirements (Continued)**

- (d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act;
- (e) on the basis of written representations received from the directors as on 31 March 2018, and taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2018, 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 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 could 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
  - 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 since they do not pertain to the financial year ended 31 March 2018. However, amounts as appearing in the audited financial statements for the year ended 31 March 2017 have been disclosed. Refer note 30 to the financial statements.

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

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



**Mansi Pardiwalla**  
*Partner*

Membership No: 108511

Mumbai  
2 May 2018

## Wonder City Buildcon Private Limited

### Annexure A to the Independent Auditors' Report – 31 March 2018

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 2018, we report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets, by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the above programme, the Company has verified certain fixed assets during the year and no discrepancies were noticed in respect of assets verified during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable properties. Accordingly, paragraph 3 (i) (c) of the Order is not applicable to the Company.
- (ii) The inventory comprising of construction work-in-progress and cost of development rights in identified land has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. No discrepancies were noticed on verification between the physical stocks and the book records.
- (iii) According to the information and explanation 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 required to be maintained under Section 189 of the Act. Accordingly, paragraph 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 explanations given to us and based on the audit procedures conducted by us, the Company has not granted any loans or made any investments or given any guarantees or security during the year to the parties covered under Sections 185 and 186 of the Act. Accordingly, paragraph 3 (iv) of the Order 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 under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. 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.
- (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, Service tax, Goods and Service tax, Sales 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, Value added tax, Professional tax, Duty of excise and Duty of customs.



## Wonder City Buildcon Private Limited

### Annexure A to the Independent Auditors' Report – 31 March 2018 (Continued)

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Service tax, Goods and Service tax, Sales tax and other material statutory dues were in arrears as at 31 March 2018 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 Sales tax, Goods and Service tax, and Income-tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) 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 institutions 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 money by way of initial public offer or further public offer (including debt instruments) and 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 is not a public company. 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 as specified in Nidhi Rules, 2014. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made private placement of fully paid compulsorily convertible debentures during the year in compliance with the requirements of Section 42 of the Act. The Company has not made any preferential allotment or private placement of shares during the year. The amount raised has been fully used for the purpose for which the funds were raised.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.

## Wonder City Buildcon Private Limited

### Annexure A to the Independent Auditors' Report – 31 March 2018 (Continued)

- (xvi) 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

*M Pardiwalla*

**Mansi Pardiwalla**  
*Partner*

Membership No: 108511

Mumbai  
2 May 2018



# Wonder City Buildcon Private Limited

## Annexure B to the Independent Auditors' Report – 31 March 2018

(Referred to in our report of even date)

### 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 Wonder City Buildcon Private Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year 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 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 on Audit of Internal Financial Controls over Financial Reporting (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 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 over financial reporting.



## Wonder City Buildcon Private Limited

### Annexure B to the Independent Auditors' Report – 31 March 2018 (Continued)

#### 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 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 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 31 March 2018, 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 B S R & Co. LLP  
Chartered Accountants

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



**Mansi Pardiwalla**  
Partner

Membership No: 108511

Mumbai  
2 May 2018

# WONDER CITY BUILDCON PRIVATE LIMITED

## Balance Sheet

as at March 31, 2018

(Currency in INR Lakhs)

Particulars	Note	As At March 31, 2018	As At March 31, 2017
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment	2	37.19	21.46
Intangible Assets	3	6.89	7.93
<b>Financial Assets</b>			
Other Non-Current Financial Assets	4	2.53	-
Deferred Tax Assets (Net)	5	168.98	348.44
Income Tax Assets (Net)		79.34	53.30
<b>Total Non-Current Assets</b>		<b>294.93</b>	<b>431.13</b>
<b>Current Assets</b>			
Inventories	6	12,742.07	11,185.28
<b>Financial Assets</b>			
Investments	7	4,036.80	3,056.68
Trade Receivables	8	2,011.50	910.30
Cash and Cash Equivalents	9	2,453.95	428.31
Bank Balances other than above	10	434.21	978.70
Loans	11	3,363.64	6,017.96
Other Current Financial Assets	12	5,135.09	3,060.15
Other Current Non Financial Assets	13	4,920.12	4,564.43
<b>Total Current Assets</b>		<b>35,097.38</b>	<b>30,201.81</b>
<b>TOTAL ASSETS</b>		<b>35,392.31</b>	<b>30,632.94</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	14	322.88	322.88
Other Equity	15	444.28	(108.54)
<b>Total Equity</b>		<b>767.16</b>	<b>214.34</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	16	18,337.47	17,809.79
Trade Payables	17	2,706.68	1,278.93
Other Current Financial Liabilities	18	0.65	3.99
Other Current Non Financial Liabilities	19	13,522.69	11,308.15
Current Tax Liabilities (Net)		57.66	17.74
<b>Total Current Liabilities</b>		<b>34,625.15</b>	<b>30,418.60</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>35,392.31</b>	<b>30,632.94</b>

### Significant accounting policies

The accompanying notes 1 to 37 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

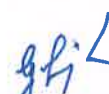
Mumbai  
May 02, 2018

For and on behalf of the Board of Directors of  
Wonder City Buildcon Private Limited



Keki Manchershya Elavia  
Director  
DIN: 00003940

Mumbai  
May 02, 2018



Girish Singh  
Director  
DIN: 07773088

# WONDER CITY BUILDCON PRIVATE LIMITED

## Statement of Profit And Loss

for the year ended March 31, 2018

(Currency in INR Lakhs)

Particulars	Note	For the year ended March 31,2018	For the year ended March 31,2017
<b>INCOME</b>			
Revenue from Operations	20	8,868.28	8,438.85
Other Income	21	293.13	336.34
<b>Total Income</b>		<b>9,161.41</b>	<b>8,775.19</b>
<b>EXPENSES</b>			
Cost of Sales	22	7,455.28	7,472.68
Finance Costs	23	288.73	319.89
Depreciation and Amortisation Expense	24	16.78	8.49
Other Expenses	25	583.66	367.87
<b>Total Expenses</b>		<b>8,344.45</b>	<b>8,168.93</b>
<b>Profit Before Tax</b>		<b>816.96</b>	<b>606.26</b>
<b>Tax Expense</b>			
Current Tax	5(b)	114.34	183.58
Deferred Tax Charge	5(a)	149.80	44.92
<b>Total Tax Expenses</b>		<b>264.14</b>	<b>228.50</b>
<b>Profit for the Year</b>		<b>552.82</b>	<b>377.76</b>
<b>Other Comprehensive Income</b>			
Items that will not be subsequently reclassified to profit or loss		-	-
<b>Other Comprehensive Income for the year (Net of Tax)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the Year</b>		<b>552.82</b>	<b>377.76</b>
<b>Earnings Per Equity Share (Amount in INR)</b>			
Basic	26	17.12	11.70
Diluted	26	17.12	11.70

### Significant accounting policies

The accompanying notes 1 to 37 form an integral part of the Financial Statements.

As per our Report of even date.

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

For and on behalf of the Board of Directors of  
**Wonder City Buildcon Private Limited**



**Mansi Pardiwala**  
Partner  
Membership No: 108511

Mumbai  
May 02, 2018



**Keki Manchersha Elavla**  
Director  
DIN: 00003940

Mumbai  
May 02, 2018



**Girish Singhi**  
Director  
DIN: 07773088

**WONDER CITY BUILDCON PRIVATE LIMITED**

**Statement of Changes in Equity for the year ended March 31, 2018**

**a) Equity Share Capital**

(Currency in INR Lakhs)

Particulars	As At March 31, 2018	As At March 31, 2017
Balance at the beginning of the reporting year	322.88	322.88
Changes in equity share capital during the year	-	-
Balance at the end of the reporting year	322.88	322.88

**b) Other Equity**

(Currency in INR Lakhs)

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
Balance as at March 31, 2016	317.88	(804.18)	(486.30)
Total Comprehensive Income:			
i) Profit for the Year	-	377.76	377.76
Balance as at March 31, 2017	317.88	(426.42)	(108.54)
Total Comprehensive Income:			
i) Profit for the Year	-	552.82	552.82
Balance as at March 31, 2018	317.88	126.40	444.28

The accompanying notes 1 to 37 form an integral part of the Financial Statements.

As per our Report of even date.

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

For and on behalf of the Board of Directors of  
Wonder City Buildcon Private Limited



Mansi Pardiwalla  
Partner  
Membership No: 108511

Mumbai  
May 02, 2018



Keki Manchershia Elavia  
Director  
DIN: 00003940

Mumbai  
May 02, 2018



Girish Singhi  
Director  
DIN: 07773088

# WONDER CITY BUILDCON PRIVATE

## Statement of Cash Flows

for the year ended March 31, 2018

(Currency in INR Lakhs)

Particulars	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
<b>Cash Flow from Operating Activities</b>		
Profit before Taxation	816.96	606.26
<b>Adjustment for:</b>		
Depreciation and Amortisation Expense	16.78	8.49
Finance Costs	288.73	303.42
Interest Income	(74.94)	(90.37)
Profit on sale of investments (net)	(181.88)	-
Income from Investment measured at FVTPL	(36.31)	(245.97)
<b>Operating Profit before working capital changes</b>	<b>829.34</b>	<b>581.83</b>
<b>Changes in working capital :</b>		
Increase in Non Financial Liabilities	2,214.54	3,314.98
Increase in Financial Liabilities	1,604.82	418.87
Decrease/(Increase) in Inventories	(549.50)	(4,614.40)
(Increase) in Non Financial Assets	(326.03)	(1,036.65)
(Increase)/Decrease in Financial Assets	219.65	216.80
	3,163.48	(1,700.40)
Taxes Paid (Net)	(100.46)	49.17
<b>Net Cash Flow generated from / (used in) Operating activities</b>	<b>3,892.36</b>	<b>(1,069.40)</b>
<b>Cash Flow from Investing Activities</b>		
Acquisition of Property, Plant & Equipment and Intangible Assets	(31.47)	(36.75)
Purchase / (Sale) of mutual funds (net)	(761.93)	1,459.08
Maturity of investments in fixed deposits (net)	43.96	-
Interest Received	96.73	14.89
<b>Net Cash Flow (used in) / generated from Investing Activities</b>	<b>(652.71)</b>	<b>1,437.22</b>
<b>Cash Flow from Financing Activities</b>		
Repayment of Short Term Borrowings	(1,214.01)	-
<b>Net Cash Flow (used in) Financing Activities</b>	<b>(1,214.01)</b>	<b>-</b>
<b>Net Increase in Cash and Cash Equivalent</b>	<b>2,025.64</b>	<b>367.82</b>
<b>Cash and Cash Equivalent -Opening Balance</b>	<b>428.31</b>	<b>60.49</b>
<b>Cash and Cash Equivalent -Closing Balance</b>	<b>2,453.95</b>	<b>428.31</b>

### Notes :

1. Reconciliation of Cash and Cash Equivalents as per the Statement of Cash Flows Cash and Cash Equivalents as per the above comprise of the following:

Particulars	(Currency in INR Lakhs)	
	March 31, 2018	March 31, 2017
Cash and Cash Equivalent ( Refer Note 9 )	2,453.95	428.31
<b>Cash and Cash Equivalents</b>	<b>2,453.95</b>	<b>428.31</b>

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

3. Changes in liability arising from Financing Activities, including both changes arising from Cash flow and non-cash changes:

Reconciliation of Laibilities arising from Financing activities				
Particulars	As at April 01, 2017	Changes as per Cash flow Statement	Non Cash Changes	As at March 31, 2018
Short term borrowings	12,264.25	-	-	12,264.25

The accompanying notes 1 to 37 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

Mumbai  
May 02, 2018



Kekl Manchershia Elavia

Director

DIN: 00003940

Mumbai  
May 02, 2018

For and on behalf of the Board of Directors of  
Wonder City Buildcon Private Limited



Girish Singh

Director

DIN: 07773088

WONDER CITY BUILDCON PRIVATE LIMITED

Notes Forming Part of Financial Statements (Continued)  
as at March 31, 2018

(Currency in INR Lakhs)

2 Property, Plant and Equipment

Particulars	GROSS BLOCK			As At March 31, 2018	ACCUMULATED DEPRECIATION			NET BLOCK		
	As At April 01, 2017	Additions during the year	Deductions during the year		As at April 01, 2017	For the Year	Deductions	As At March 31, 2018	As At March 31, 2018	As At March 31, 2017
<b>a) Property, Plant and Equipment</b>										
Office Equipment	6.10	9.15	-	15.25	1.87	2.92	-	4.79	10.46	4.23
Site Equipments	9.30	-	-	9.30	2.84	2.95	-	5.79	3.51	6.46
Furniture and Fixtures	14.24	0.39	-	14.63	3.47	2.84	-	6.31	8.32	10.77
Computers	-	10.03	-	10.03	-	5.42	-	5.42	4.61	-
Vehicles	-	9.74	-	9.74	-	0.90	-	0.90	8.84	-
Electrical Installations and Equipments	-	1.75	-	1.75	-	0.30	-	0.30	1.45	-
<b>Total Property, Plant and Equipment</b>	<b>29.64</b>	<b>31.06</b>	<b>-</b>	<b>60.70</b>	<b>8.18</b>	<b>15.33</b>	<b>-</b>	<b>23.51</b>	<b>37.19</b>	<b>21.46</b>

Particulars	GROSS BLOCK			As At March 31, 2017	ACCUMULATED DEPRECIATION			NET BLOCK		
	As At April 01, 2016	Additions during the year	Deductions during the year		As at April 01, 2016	For the Year	Deductions	As At March 31, 2017	As At March 31, 2017	As At March 31, 2016
<b>a) Property, Plant and Equipment</b>										
Office Equipment	0.30	5.80	-	6.10	0.00	1.87	-	1.87	4.23	0.30
Site Equipments	-	9.30	-	9.30	-	2.84	-	2.84	6.46	-
Furniture and Fixtures	-	14.24	-	14.24	-	3.47	-	3.47	10.77	-
<b>Total Property, Plant and Equipment</b>	<b>0.30</b>	<b>29.34</b>	<b>-</b>	<b>29.64</b>	<b>0.00</b>	<b>8.18</b>	<b>-</b>	<b>8.18</b>	<b>21.46</b>	<b>0.30</b>



WONDER CITY BUILDCON PRIVATE LIMITED

Notes Forming Part of Financial Statements (Continued)  
as at March 31, 2018

(Currency in INR Lakhs)

3 Intangible Assets

Particulars	GROSS BLOCK			ACCUMULATED AMORTISATION			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, 2018	As At March 31, 2017
a) Intangible Assets										
Licences and Software	8.37	0.41	-	8.78	0.44	1.45	-	1.89	6.89	7.93
<b>Total Intangible Assets</b>	<b>8.37</b>	<b>0.41</b>	<b>-</b>	<b>8.78</b>	<b>0.44</b>	<b>1.45</b>	<b>-</b>	<b>1.89</b>	<b>6.89</b>	<b>7.93</b>

Particulars	GROSS BLOCK			ACCUMULATED AMORTISATION			NET BLOCK			
	As At April 01, 2016	Additions during the year	Deductions during the year	As At March 31, 2017	As at April 01, 2016	For the Year	Deductions	As At March 31, 2017	As At March 31, 2017	As At March 31, 2016
a) Intangible Assets										
Licences and Software	0.95	7.42	-	8.37	0.13	0.31	-	0.44	7.93	0.82
<b>Total Intangible Assets</b>	<b>0.95</b>	<b>7.42</b>	<b>-</b>	<b>8.37</b>	<b>0.13</b>	<b>0.31</b>	<b>-</b>	<b>0.44</b>	<b>7.93</b>	<b>0.82</b>





# WONDER CITY BUILDCON PRIVATE LIMITED

## Notes Forming Part of Financial Statements (Continued)

as at March 31, 2018

(Currency in INR Lakhs)

March 31, 2018 March 31, 2017

### 4 Other Non-Current Financial Assets

Deposit With Banks (Refer Note (a) below)	2.53	-
	<b>2.53</b>	<b>-</b>

(a) The above fixed deposit are given as Margin Money for issuing Bank Guarantees.

### 5 Deferred Tax Assets and Tax Expense

#### a) Movement in Deferred Tax Balances

Particulars	Net Balance as at March 31, 2017	Movement during the year			As At March 31, 2018	
		Recognised in Profit or Loss	Recognised in Equity	Other	Net	Deferred Tax Asset
<b>Deferred Tax Asset/(Liabilities)</b>						
Property, Plant and Equipment	0.40	1.52	-	-	1.92	1.92
Brought Forward Business Loss under Income Tax Act, 1961	210.98	(160.12)	-	-	50.86	50.86
MAT Credit Entitlement	94.01	58.90	-	(29.66)	123.25	123.25
Other Items	43.05	(50.10)	-	-	(7.05)	(7.05)
<b>Deferred Tax Assets/ (Liabilities)</b>	<b>348.44</b>	<b>(149.80)</b>	<b>-</b>	<b>(29.66)</b>	<b>168.98</b>	<b>168.98</b>

Particulars	Net Balance as at March 31, 2016	Movement during the year			As At March 31, 2017	
		Recognised in Profit or Loss	Recognised in Equity	Other	Net	Deferred Tax Asset
<b>Deferred Tax Asset/(Liabilities)</b>						
Property, Plant and Equipment	(0.15)	0.55	-	-	0.40	0.40
Brought Forward Business Loss under Income Tax Act, 1961	446.33	(235.35)	-	-	210.98	210.98
MAT Credit Entitlement	-	94.01	-	-	94.01	94.01
Other Items	(52.82)	95.87	-	-	43.05	43.05
<b>Deferred Tax Assets/ (Liabilities)</b>	<b>393.36</b>	<b>(44.92)</b>	<b>-</b>	<b>-</b>	<b>348.44</b>	<b>348.44</b>

#### b) Amounts recognised in Statement of Profit and Loss

Particulars	31 March 2018	31 March 2017
<b>Current Tax</b>	<b>114.34</b>	<b>183.58</b>
Current Tax	107.31	94.01
Tax Adjustment of Prior Years	7.03	89.57
<b>Deferred Tax Charged</b>	<b>149.81</b>	<b>44.92</b>
Deferred Income Tax	208.71	138.93
MAT Credit Entitlement	(58.90)	(94.01)
<b>Tax Expense for the year</b>	<b>264.15</b>	<b>228.50</b>

#### c) Reconciliation of Effective Tax Rate

Particulars	31 March 2018	31 March 2017
<b>Profit Before Tax</b>	<b>816.96</b>	<b>606.26</b>
<b>Tax Rate</b>	<b>27.55%</b>	<b>35.00%</b>
Tax using the Company's domestic tax rate	225.07	209.81
<b>Tax effect of:</b>		
Change in recognised deductible temporary differences	29.66	-
Other Adjustments	9.42	18.68
<b>Tax expense recognised</b>	<b>264.15</b>	<b>228.49</b>



# WONDER CITY BUILDCON PRIVATE LIMITED

## Notes Forming Part of Financial Statements (Continued)

as at March 31, 2018

(Currency in INR Lakhs)

	March 31, 2018	March 31, 2017
<b>6 Inventories (Valued at lower of Cost and Net Realisable Value)</b>		
Construction Work-in-Progress (Refer Note 35)	12,742.07	11,185.28
	<u>12,742.07</u>	<u>11,185.28</u>
<b>7 Investments</b>		
<b>Quoted</b>		
Investment in Mutual Funds carried at Fair Value through Profit or Loss	4,036.80	3,056.68
	<u>4,036.80</u>	<u>3,056.68</u>
<b>Market Value of Quoted Investments</b>		
Aggregate book value of Quoted Investments and Market Value thereof	4,036.80	3,056.68
<b>8 Trade Receivables</b>		
<b>To parties other than related parties</b>		
Unsecured, Considered Good	2,011.50	910.30
	<u>2,011.50</u>	<u>910.30</u>
<b>9 Cash and Cash Equivalents</b>		
<b>Balance With Banks</b>		
in Current Accounts	1,095.08	170.38
in Fixed Deposit Accounts	1,358.72	-
Cheques On Hand	-	257.88
Cash On Hand	0.15	0.05
	<u>2,453.95</u>	<u>428.31</u>



# WONDER CITY BUILDCON PRIVATE LIMITED

## Notes Forming Part of Financial Statements (Continued)

as at March 31, 2018

(Currency in INR Lakhs)

	March 31, 2018	March 31, 2017
<b>10 Bank Balances other than above</b>		
<b>Balance With Banks</b>		
in Fixed Deposit Accounts (Refer Note (a) below)	434.21	978.70
	<u>434.21</u>	<u>978.70</u>
(a) The above fixed deposit are given as Margin Money for issuing Bank Guarantees.		
<b>11 Loans (Current)</b>		
<b>Secured, Considered Good</b>		
To parties other than related parties		
Deposits - Projects (Refer Note (a) below)	3,363.64	6,017.96
	<u>3,363.64</u>	<u>6,017.96</u>
(a) Deposits - Projects are Secured against Terms of Development Agreement.		
<b>12 Other Current Financial Assets</b>		
<b>Unsecured, Considered Good</b>		
To parties other than related parties		
Deposits - Others	2,520.82	2,311.94
Unbilled Revenue	1,678.43	295.26
Interest Accrued on deposit with banks	31.49	53.28
Deposit with Banks	500.00	2.00
Others	404.35	397.67
	<u>5,135.09</u>	<u>3,060.15</u>
<b>13 Other Current Non Financial Assets</b>		
<b>Unsecured, Considered Good</b>		
To parties other than related parties		
Balances with Government Authorities	1,225.07	311.93
Advance to Suppliers & Contractors (Refer Note (a) below)	478.93	445.42
Prepayments	10.61	11.70
Advance for development rights	2,916.45	3,227.79
Others	289.06	567.59
	<u>4,920.12</u>	<u>4,564.43</u>
(a) Advance to Suppliers & Contractors includes advances amounting to INR 123.56 Lakhs (Previous Year: INR 445.42 Lakhs) secured against Bank Guarantees.		



# WONDER CITY BUILDCON PRIVATE LIMITED

## Notes Forming Part of Financial Statements (Continued)

as at March 31, 2018

(Currency in INR Lakhs)

	March 31, 2018	March 31, 2017
<b>14 Share Capital</b>		
<b>a) Authorised :</b>		
5,000,000 Equity Shares of INR 10/- each (Previous Year: 2017 : 5,000,000 Equity Share of INR 10/- each)	500.00	500.00
	<u>500.00</u>	<u>500.00</u>
<b>b) Issued, Subscribed and Paid Up:</b>		
3,228,760 Equity Shares of INR 10/- each (Previous Year: 2017: 3,228,760 Equity Shares of INR 10/- each) fully paid up	322.88	322.88
	<u>322.88</u>	<u>322.88</u>

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

Equity Shares :	March 31, 2018		March 31, 2017	
	No. of Shares	INR (In Lakhs)	No. of Shares	INR (In Lakhs)
Outstanding at the beginning of the year	3,228,760	322.88	3,228,760	322.88
Issued during the year	-	-	-	-
Outstanding at the end of the year	3,228,760	322.88	3,228,760	322.88

**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 thereof 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. 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) Shareholders holding more than 5% shares in the company:**

Particulars	March 31, 2018		March 31, 2017	
	No. of Shares	%	No. of Shares	%
<b>Equity share</b>				
Godrej Properties Limited	810,420	25.10%	810,420	25.10%
Shubh Properties Cooperatief U.A (COOP)	2,335,680	72.34%	2,335,680	72.34%

	March 31, 2018	March 31, 2017
<b>15 Other Equity</b>		
Securities Premium (Refer Note (a) below)	317.88	317.88
Retained Earnings (Refer Note (b) below)	126.40	(426.42)
	<u>444.28</u>	<u>(108.54)</u>

**(a) Securities Premium**

The Securities Premium account has been created mainly on account of premium on issue of Equity shares. The reserve is utilised in accordance with the provision of the Act.

**(b) Retained Earnings**

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



# WONDER CITY BUILDCON PRIVATE LIMITED

## Notes Forming Part of Financial Statements (Continued)

as at March 31, 2018

(Currency in INR Lakhs)

### 16 Borrowings (Current)

Particulars	Interest Rate	March 31, 2018	March 31, 2017
<b>Unsecured Debentures (Refer note (a) below)</b>	17.45%	18,337.47	17,809.79
[8,87,196 number of Class A CCD of face value of Rs. 1000 each, 3,07,833 number of Class B CCD of face value of Rs. 1000 each and 31,396 number of CCD of face value of Rs. 1000 each (Refer note (a) below)]			
		<u>18,337.47</u>	<u>17,809.79</u>

(a)

#### (i) Class A Debenture

Each Class A CCD of INR 1,000/- each shall be compulsorily convertible into equity shares on June 29, 2019 or five years from date of allotment whichever is earlier, on the basis of fair market value of share or the minimum price determined as per the Indian exchange control regulation for conversion of class A CCD's, whichever is higher. These CCD's can be converted into equity shares earlier than the abovementioned period subject to terms of the shareholders agreement.

#### (ii) Class B Debenture

Each Class B CCD of INR 1,000/- each shall be compulsorily convertible into equity shares on June 29, 2019 or five years from date of allotment whichever is earlier, on the basis of fair market value of share or the minimum price determined as per the Indian exchange control regulation for conversion of class B CCDs, whichever is higher. These CCD's can be converted into equity shares earlier than the abovementioned period subject to terms of the shareholders agreement.

#### (iii) Class C Debenture

Each Class C CCD of INR 1,000/- each shall be compulsorily convertible into equity shares on June 29, 2019 or five years from date of allotment whichever is earlier, on the basis of fair market value of share or the minimum price determined as per the Indian exchange control regulation for conversion of class C CCDs, whichever is higher. These CCD can be converted into equity shares earlier than the abovementioned period subject to terms of the shareholders agreement.

March 31, 2018                      March 31, 2017

### 17 Trade Payables (Current)

Dues to Micro and Small Enterprises	-	-
Others	2,706.68	1,278.93
	<u>2,706.68</u>	<u>1,278.93</u>

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue as on March 31, 2018 and March 31, 2017 to Micro, Small and Medium Enterprises on account of principal or interest.

### 18 Other Current Financial Liabilities

Other Liabilities	0.65	3.99
	<u>0.65</u>	<u>3.99</u>

### 19 Other Current Non Financial Liabilities

Statutory Dues	830.37	394.05
Advances Received Against Sale of Flats/ Units	12,692.32	10,914.10
	<u>13,522.69</u>	<u>11,308.15</u>



# WONDER CITY BUILDCON PRIVATE LIMITED

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Lakhs)

	March 31, 2018	March 31, 2017
<b>20 Revenue from Operations</b>		
Sale of Real Estate Developments	8,741.35	8,415.36
<b>Other Operating Revenues</b>		
Other Income from Customers	126.93	23.49
	<u>8,868.28</u>	<u>8,438.85</u>
<b>21 Other Income</b>		
Interest Income	74.94	90.37
Income from Investment measured at FVTPL	36.31	245.97
Profit on sale of Investment	181.88	-
	<u>293.13</u>	<u>336.34</u>
<b>22 Cost of Sales</b>		
Opening Stock:		
Construction Work-in-Progress	11,185.28	6,570.88
Add: Expenditure during the year		
Construction, Material and Labour	6,919.47	10,084.96
Architect Fees	57.84	35.07
Other Cost	581.80	(73.82)
Finance Costs	1,452.96	2,181.70
	<u>20,197.35</u>	<u>18,798.79</u>
Less : Expense Recovered	-	140.83
Less : Closing Stock:		
Construction Work-in-Progress	12,742.07	11,185.28
	<u>7,455.28</u>	<u>7,472.68</u>
<b>23 Finance Costs</b>		
Interest Expense	1,741.69	2,503.68
Other Borrowing costs	-	(2.09)
<b>Total Finance Cost</b>	<u>1,741.69</u>	<u>2,501.59</u>
Less: Capitalised to construction work-in-progress	<u>(1,452.96)</u>	<u>(2,181.70)</u>
<b>Net Finance Costs</b>	<u>288.73</u>	<u>319.89</u>
<b>24 Depreciation and Amortisation Expense</b>		
Depreciation on Plant, Property and Equipment	15.33	8.18
Amortisation of Intangible Assets	1.45	0.31
	<u>16.78</u>	<u>8.49</u>
<b>25 Other Expenses</b>		
Brokerage	226.80	194.51
Other Expenses including payment to auditors (Refer Note 31)	356.86	173.36
	<u>583.66</u>	<u>367.87</u>



# WONDER CITY BUILDCON PRIVATE LIMITED

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Lakhs)

### 26 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.

#### (i) Profit attributable to ordinary shareholders (basic)

Particulars	March 31, 2018	March 31, 2017
Profit for the year, attributable to ordinary shareholders of the Company	552.82	377.76
	<u>552.82</u>	<u>377.76</u>

#### (ii) Weighted average number of ordinary shares (basic and diluted)

Particulars	March 31, 2018	March 31, 2017
Weighted Average number of shares outstanding at the end of the year	3,228,760	3,228,760
	<u>3,228,760</u>	<u>3,228,760</u>

#### Basic and Diluted Earnings Per Share

17.12

11.70

#### b) Diluted Earnings Per Share

The Compulsory Convertible Debentures will be converted into equity shares on June 29, 2019 or earlier based on the Fair value of the shares computed as on the date of conversion and other terms & conditions of the shareholders agreement. In view of the same, the dilutive shares cannot be computed as the conversion ratio is not available as at the balance sheet date.



# WONDER CITY BUILDCON PRIVATE LIMITED

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Lakhs)

### 27 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, 2018	Carrying amount			Fair value			Total
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	
<b>Financial Assets</b>							
<b>Non-Current</b>							
Other Non-Current Financial Assets	-	2.53	2.53	-	-	-	-
<b>Current</b>							
Investments	4,036.80	-	4,036.80	4,036.80	-	-	4,036.80
Trade receivables	-	-	-	-	-	-	-
Cash and cash equivalents	-	2,453.95	2,453.95	-	-	-	-
Bank balances other than above	-	434.21	434.21	-	-	-	-
Loans	-	3,363.64	3,363.64	-	-	-	-
Other Current Financial Assets	-	5,135.09	5,135.09	-	-	-	-
	<b>4,036.80</b>	<b>11,389.42</b>	<b>15,426.22</b>	<b>4,036.80</b>	-	-	<b>4,036.80</b>
<b>Financial Liabilities</b>							
<b>Current</b>							
Borrowings	-	18,337.47	18,337.47	-	-	-	-
Trade Payables	-	2,706.68	2,706.68	-	-	-	-
Other Current Financial Liabilities	-	0.65	0.65	-	-	-	-
	-	<b>21,044.80</b>	<b>21,044.80</b>	-	-	-	-

March 31, 2017	Carrying amount			Fair value			Total
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	
<b>Financial Assets</b>							
<b>Current</b>							
Investments	3,056.68	-	3,056.68	3,056.68	-	-	3,056.68
Trade receivables	-	910.30	910.30	-	-	-	-
Cash and cash equivalents	-	428.31	428.31	-	-	-	-
Bank Balances other than above	-	980.70	980.70	-	-	-	-
Loans	-	6,034.37	6,034.37	-	-	-	-
Other Current Financial Assets	-	3,056.19	3,056.19	-	-	-	-
	<b>3,056.68</b>	<b>11,409.87</b>	<b>14,466.55</b>	<b>3,056.68</b>	-	-	<b>3,056.68</b>
<b>Financial Liabilities</b>							
<b>Current</b>							
Borrowings	-	12,550.78	12,550.78	-	-	-	-
Trade Payables	-	1,278.93	1,278.93	-	-	-	-
Other Current Financial Liabilities	-	5,263.00	5,263.00	-	-	-	-
	-	<b>19,092.71</b>	<b>19,092.71</b>	-	-	-	-

#### b) Measurement of Fair Value

The fair value of investment 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 issuers will issue further units of mutual fund and the price at which the issuers will redeem such units from the investors.





# WONDER CITY BUILDCON PRIVATE LIMITED

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Lakhs)

### 27 Financial instruments – Fair values and risk management (Continued)

#### c) Risk Management Framework

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

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

#### 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.

The Company's management has overall responsibility for the identification, analysis and mitigation of various risks faced by the Company. The Company's management has devised a risk management policy establishing risk mitigating controls and reviews the effectiveness of the same on a regular basis.

The below mentioned notes explain the sources of risk which the Company is exposed to and how the Company manages the risk.

#### (i) Credit risk

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

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

#### Trade receivables

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

The Company's credit risk with regard to trade receivable has a high degree of risk diversification, due to large number of customers related to varied categories.

Based on prior experience and an assessment of the current economic environment, management believes that no credit risk provision is required.

The ageing of trade receivables is as follows:

Particulars	March 31, 2018	March 31, 2017
More than 6 Months	1,218.26	294.55
Others	793.24	615.75
	<u>2,011.50</u>	<u>910.30</u>

#### Impairment

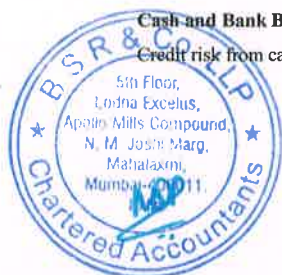
The amounts reflected in the table above are not impaired as on the reporting date. Management believes that the unimpaired amounts that are past due by more than 6 months are still recoverable in full, based on historical payment behaviour.

#### Investments 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.



# WONDER CITY BUILDCON PRIVATE LIMITED

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Lakhs)

### 27 Financial instruments – Fair values and 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. The Company invests its surplus funds in bank fixed deposit and / or debt based liquid scheme of mutual funds, which carry no/low mark to market risks.

Compulsorily Convertible Debentures (CCDs) are convertible into equity shares within five years from the date of issue and hence there will be no contractual cash outflows.

The Company does not have any derivative financial liabilities.

The following are the remaining contractual maturities of non derivative financial liabilities at the reporting date.

#### Exposure to liquidity risk

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

March 31, 2018	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
<b>Current</b>						
Borrowings	18,337.47	6,185.10	5,657.40	527.70	-	-
Trade Payables	2,706.68	2,706.68	2,526.26	0.21	180.21	-
Other Current Financial Liabilities	0.65	0.65	0.65	-	-	-

March 31, 2017	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
<b>Current</b>						
Borrowings	17,809.79	5,259.01	-	4,731.31	527.70	-
Trade Payables	1,278.93	1,278.93	1,278.93	-	-	-
Other Current Financial Liabilities	3.99	3.99	3.99	-	-	-



# WONDER CITY BUILDCON PRIVATE LIMITED

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Lakhs)

### 27 Financial instruments – Fair values and 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 any 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 Company does not have a significant interest rate risk as it is having exposure to Fixed interest rate Debentures only.

### 28 Capital Management

The Company's policy is to maintain an adequate capital base so as to maximise returns to the co-venturers. A mix of debt and equity is issued as per the terms of the Share Subscription, Share Purchase and Shareholder's Agreement entered into by the three co-venturers and the Company.

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 ratios are as follows:

Particulars	March 31, 2018	March 31, 2017
Net debt	10,909.98	13,344.10
Total equity	767.16	214.34
Net debt to equity ratio	14.22	62.26



# WONDER CITY BUILDCON PRIVATE LIMITED

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Lakhs)

### 29 Contingent Liabilities and Commitments

#### a) Contingent Liabilities

Matters	March 31, 2018	March 31, 2017
<b>Guarantees:</b>		
i) Guarantees given by Bank, counter guaranteed by the Company	553.39	980.70

#### b) Commitments

- (i) 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.
- (ii) The Company has entered into development agreements with owners of land for development of projects. Under the agreements the Company is required to pay certain payments/ deposits to the owners of the land and share in built up area/ revenue from such developments in exchange of undivided share in land as stipulated under the agreements

### 30 Specified Bank Notes Disclosure

In accordance with the Notification No. - G.S.R. 308(E) issued by the Ministry of Corporate Affairs dated March 30, 2017, the details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016 is provided in the table below :

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on November 8, 2016	0.49	-	0.49
Add: Permitted Receipts	-	0.36	0.36
Less: Permitted Payments	-	0.12	0.12
Less: Amount deposited in Banks	0.49	-	0.49
Closing cash in hand as on December 30, 2016	-	0.24	0.24

### 31 Payment to Auditors (net of taxes)

Particulars	March 31, 2018	March 31, 2017
Statutory Audit Fees	2.00	2.00
Audit Under Other Statutes	-	1.85
<b>Total</b>	<b>2.00</b>	<b>3.85</b>

#Payments to erstwhile auditors.



# WONDER CITY BUILDCON PRIVATE LIMITED

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Lakhs)

### 32 Related Party Disclosures

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

#### 1) Relationships:

##### i) Co-Venturers

- 1 Shubh Properties Coöperatief U.A (COOP)
- 2 Godrej Properties Limited (GPL)
- 3 Heritage Investments (Heritage)

##### ii) Key Management Personnels :

- 1 Mr. Girish Singhi
- 2 Mr. Keki M. Elavia
- 3 Mr. Gagan Chopra

##### iii) Group Company :

- 1 Godrej & Boyce Mfg Co Ltd

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

##### (i) Details relating to parties referred to in Items 1 (i), (ii) & (iii) above

Nature of Transaction	Shubh Properties Coöperatief U.A (i)	Godrej Properties Limited (ii)	Heritage Investments (iii)	Godrej & Boyce Mfg Co Ltd (iv)	Mr. Keki M. Elavia (v)	Total
<b>Transactions during the Year</b>						
Expenses charged by other Companies / Entities						
Current Year	-	459.72	-	4.51	-	464.23
Previous Year	-	860.64	-	-	-	860.64
Interest on Debenture repaid						
Current Year	723.40	251.00	25.60	-	-	1,000.00
Previous Year	-	-	-	-	-	-
Sitting Fees						
Current Year	-	-	-	-	2.00	2.00
Previous Year	-	-	-	-	2.00	2.00
Interest on Compulsory Convertible Debentures						
Current Year	1,259.95	437.16	44.59	-	-	1,741.70
Previous Year	1,811.16	628.42	64.10	-	-	2,503.68
Loan/ Advance Repaid						
Current Year	-	459.72	-	4.55	-	464.27
Previous Year	-	110.01	-	-	-	110.01
Expenses charged to other Companies / Entities						
Current Year	-	-	-	-	-	-
Previous Year	-	110.01	-	-	-	110.01
<b>Balance Outstanding as on March 31, 2018</b>						
Amount Payables						
Current Year	-	-	-	0.07	-	0.07
Previous Year	-	-	-	-	-	-
Debenture Outstanding						
Current Year	8,791.00	3,050.25	311.11	-	-	12,152.36
Previous Year	9,079.22	3,150.25	321.31	-	-	12,550.78
Debenture Interest Outstanding						
Current Year	4,474.30	1,552.46	158.35	-	-	6,185.11
Previous Year	3,804.36	1,320.01	134.64	-	-	5,259.01



# WONDER CITY BUILDCON PRIVATE LIMITED

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Lakhs)

### 33 Segment Reporting

#### A. General Information

##### (a) Factors used to identify the entity's reportable segments, including the basis of organisation

For management purposes, the Company has only one reportable segment, namely, development of real estate property. The Board of Directors of the Company act as the Chief Operating Decision Maker ("CODM"). The Chief Operating Decision Maker ("CODM") evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

##### (b) Information about product and services

The Company has revenue from external customer to the extent of INR 8868.28 lakhs (Previous Year: INR 8438.85 lakhs).

#### B. Geographic information

The geographic information analyses the Company's revenue and non current assets by the Company's country of domicile and other countries.

#### C. Information about major customers

There are no reportable major customers during the year ended March 31, 2018.

- 34 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.

### 35 Construction Contracts

Particulars	March 31, 2018	March 31, 2017
<b>For contracts in progress as on the reporting date</b>		
Aggregate amount of contract costs incurred and profits recognised (less recognised losses) till reporting date	29,758.34	18,528.44
Balance of Advance from customer as on reporting date	12,692.32	10,914.10
Amount of work-in-progress and the value of inventories as on the reporting date	12,742.07	11,185.28
Excess of revenue recognised over actual bills raised (Unbilled revenue)	1,678.43	295.26

- 36 Previous year's figures were audited by a firm of Chartered Accountants other than B S R & Co. LLP.

- 37 The figures for the previous year have been regrouped/ reclassified to correspond with current year's classification/ disclosure that include changes consequent to the issuance of "Guidance Note on Division II - Ind AS Schedule III to the Companies Act, 2013".

As per our Report of even date.

For B S R & Co. LLP

Chartered Accountants

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



Mansi Pardiwala

Partner

Membership No: 108511

Mumbai

May 02, 2018

For and on behalf of the Board of Directors of  
Wonder City Buldcon Private Limited



Keki Manchershia Elavia

Director

DIN: 00003940

Mumbai

May 02, 2018



Girish Singhi

Director

DIN: 07773088