

Wonder Space Properties Private Limited

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

Wonder Space Properties Private Limited

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

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B S R & Co. LLP

Chartered Accountants

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Independent Auditors' Report

To the Members of Wonder Space Properties Private Limited

Report on the audit of the financial statements

We have audited the accompanying financial statements of Wonder Space Properties 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, loss (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.

B S R & Co (a partnership firm with
Registration No. BA61223) converted into
B S R & Co. LLP (a Limited Liability, Partnership
with LLP Registration No. AAB-8181)
with effect from October 14, 2013

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

Independent Auditors' Report (Continued)

Wonder Space Properties 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 loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Other Matters

The comparative financials 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 Space Properties 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.

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 Space Properties 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) The Company neither owns any fixed assets nor has purchased any fixed assets during the year. Accordingly, paragraphs 3 (i) (a), (b) and (c) of the Order are 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 loan or made any investment or given any guarantee 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, 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, Sales tax, Value added tax, Professional tax, Duty of excise and Duty of customs.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Service tax, Goods and Service 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.



Wonder Space Properties Private Limited

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

- (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 institution or government during the year.
- (ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any 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 give to us and based on our examination of the records of the Company, the Company has made preferential allotment of equity shares and private placement of fully paid compulsorily convertible debentures during the year in compliance with the requirements of Section 42 of the Act. 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 Space Properties 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



Mansi Pardiwalla
Partner
Membership No: 108511

Mumbai
2 May 2018

Wonder Space Properties 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 Space Properties 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 Space Properties 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 Space Properties 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
ASSETS			
Non-Current Assets			
Deferred Tax Assets (Net)	2(a)	37.57	35.68
Income Tax Assets (Net)		268.81	209.71
Total Non-Current Assets		306.38	245.39
Current Assets			
Inventories	3	11,322.64	10,814.57
Financial Assets			
Investments	4	179.68	250.96
Cash and Cash Equivalents	5	12.46	1.99
Loans	6	11,707.52	10,672.40
Other Current Financial Assets	7	2,558.90	2,026.97
Other Current Non Financial Assets	8	140.18	125.39
Total Current Assets		25,921.38	23,892.28
TOTAL ASSETS		26,227.76	24,137.67
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	9	45.49	44.24
Other Equity	10	626.53	604.92
Total Equity		672.02	649.16
LIABILITIES			
Current Liabilities			
Financial Liabilities			
Borrowings	11	25,510.61	23,220.23
Trade Payables	12	15.97	13.53
Other Current Non Financial Liabilities	13	29.16	254.75
Total Current Liabilities		25,555.74	23,488.51
TOTAL EQUITY AND LIABILITIES		26,227.76	24,137.67

Significant Accounting Policies

1

The accompanying notes 1 to 27 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 Number: 108511

Mumbai

May 02, 2018

For and on behalf of the Board of Directors of
Wonder Space Properties Private Limited



Keki M. Elavia

Director

DIN: 00003940

Mumbai

May 02, 2018



Girish Singhi

Director

DIN: 07773088

Wonder Space Properties 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
INCOME			
Other Income	14	625.65	609.27
Total Income		625.65	609.27
EXPENSES			
Cost of Sales	15	-	-
Finance Costs	16	608.97	586.88
Other Expenses	17	20.71	41.73
Total Expenses		629.68	628.61
(Loss) Before Tax		(4.03)	(19.34)
Tax Expense			
Current Tax	2(b)	-	3.32
Deferred Tax (credit)	2(a)	(1.89)	(9.35)
Total Tax Expenses		(1.89)	(6.03)
(Loss) for the Year		(2.14)	(13.31)
Other Comprehensive Income			
Items that will not be subsequently reclassified to profit or loss		-	-
Other Comprehensive Income for the year (Net of Tax)		-	-
Total Comprehensive Income for the Year		(2.14)	(13.31)
Earnings Per Equity Share (Amount in INR)			
Basic and Diluted	18		
Basic Earnings Per Share (INR) - Class A		(0.31)	(2.90)
Basic Earnings Per Share (INR) - Class B		(0.11)	(1.01)
Basic Earnings Per Share (INR) - Class C		(0.01)	(0.10)
Basic Earnings Per Share (INR) - Ordinary		(0.04)	(0.25)

Significant Accounting Policies

1

The accompanying notes 1 to 27 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 Number: 108511

Mumbai

May 02,2018

For and on behalf of the Board of Directors of
Wonder Space Properties Private Limited



Keki M. Elavia

Director

DIN: 00003940

Mumbai

May 02,2018



Girish Singhi

Director

DIN: 07773088

Wonder Space Properties Private Limited

Statement of Changes in Equity

for the year ended March 31, 2018

(Currency in INR Lakhs)

a) Equity Share Capital

Particulars	As At March 31,	
	2018	As At March 31, 2017
Balance at the beginning of the reporting year	44.24	42.99
Changes in equity share capital during the year	1.25	1.25
Balance at the end of the reporting year	45.49	44.24

b) Other Equity

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
Balance as at March 31, 2016	617.40	(22.92)	594.48
Total Comprehensive Income:			
i) (Loss) for the Year	-	(13.31)	(13.31)
Adjustments:			
i) Premium received on allotment of Shares	23.75	-	23.75
Balance as at March 31, 2017	641.15	(36.23)	604.92
Total Comprehensive Income:			
i) (Loss) for the Year	-	(2.14)	(2.14)
Adjustments:			
i) Premium received on allotment of Shares	23.75	-	23.75
Balance as at March 31, 2018	664.90	(38.37)	626.53

The accompanying notes 1 to 27 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 Space Properties Private Limited

Mansi Pardiwalla

Partner

Membership Number: 108511

Mumbai
May 02, 2018

Keki M. Elavia

Director

DIN: 00003940

Mumbai
May 02, 2018

Girish Singhi

Director

DIN: 07773088

Wonder Space Properties Private Limited

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
Cash Flow from Operating Activities		
(Loss) before tax	(4.03)	(19.34)
Adjustment for:		
Finance Cost	608.97	586.88
Interest Income	(591.04)	(591.04)
Loss from Investment measured at FVTPL	14.04	(11.10)
Profit on sale of Investment (net)	(34.61)	(7.13)
Operating (Loss) Before Working Capital Changes	(6.67)	(41.73)
Adjustment for:		
(Decrease)/Increase in Non Financial Liabilities	(225.59)	10.99
Increase/(Decrease) in Financial Liabilities	2.44	2,826.60
Decrease/(Increase) in Inventories	959.34	(2,361.22)
(Increase) in Non Financial Assets	(14.79)	(2.47)
(Increase) in Financial Assets	(1,035.12)	(671.89)
Taxes Paid (net)	(313.72)	(197.99)
Net Cash Flows (used in) Operating Activities	(379.49)	(298.82)
Cash Flow From Investing Activities		
Sale/ (Purchase) of Investments in mutual funds (net)	91.85	(208.66)
Interest Received	59.11	-
Net Cash Flows generated from/ (used in) Investing Activities	150.96	(208.66)
Cash Flow From Financing Activities		
Proceeds from Issue of Equity Share Capital	25.00	25.00
Proceeds from Short Term Borrowings	475.00	475.00
Interest Paid	(261.00)	-
Net Cash Flows generated from Financing Activities	239.00	500.00
Net Increase/ (Decrease) in Cash and Cash Equivalents	10.47	(7.48)
Cash and Cash Equivalents -Opening Balance	1.99	9.47
Cash and Cash Equivalents -Closing Balance	12.46	1.99

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	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash and Cash Equivalents (Refer Note 5)	12.46	1.99
Cash and Cash Equivalents	12.46	1.99

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.

Reconciliation of Liabilities 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	14,563.38	475.00	-	15,038.38

The accompanying notes 1 to 27 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 Number: 108511

Mumbai
May 02, 2018

For and on behalf of the Board of Directors of
Wonder Space Properties Private Limited



Kekl M. Elavla
Director
DIN: 00003940



Girish Singhi
Director
DIN: 07773088

Mumbai
May 02, 2018

Wonder Space Properties Private Limited

Notes Forming Part of Financial Statements

for the year ended March 31, 2018

Note 1

1 Company Overview

Wonder Space Properties Private Limited ("the Company") having CIN: U70102MH2013PTC242495 is engaged primarily in the business of real estate construction, development and other related activities. The Company is a private limited Company incorporated and domiciled in India having its registered office at Godrej One, 5th Floor, Pirojshahnagar, Eastern Express Highway, Vikhroli, Mumbai-400079.

2 Basis of preparation and measurement

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 ("the 2013 Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, and the relevant provisions and amendments, as applicable. The Financial Statements have been prepared on accrual basis under the historical cost convention except certain financial instruments measured at fair value.

The Financial Statements of the Company for the year ended March 31, 2018 were approved by the Board of Directors and authorised for issue on May 2, 2018.

a) Operating cycle

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

b) Functional and Presentation Currency

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

c) Use of Estimates and Judgements

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



Wonder Space Properties Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2018

2 Basis of preparation and measurement (*Continued*)

c) Use of Estimates and Judgements (*Continued*)

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

- *Evaluation of percentage completion for the purpose of revenue recognition*

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.

- *Fair value measurement of financial instruments*

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

- *Recognition of Deferred Tax Asset*

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

- *Provisions and Contingencies*

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

d) Standards issued but not yet effective

Ind AS 115 - Revenue from Contracts with Customer (the new revenue recognition standard) has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and will be effective from April 01, 2018. Hence, from April 01, 2018, revenue recognition of the Company shall be driven by this standard.

IND AS 115 provides guidance on how the entity shall recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This accounting change will bring about significant changes in the way companies recognise, present and disclose their revenue.

The company is currently evaluating the effect of this standard.



Wonder Space Properties Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2018

2 Basis of preparation and measurement (*Continued*)

e) Measurement of fair values

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

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

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

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data.

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

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

3 Significant Accounting Policies

a) Foreign currency transactions/translations

- Transactions in foreign currencies are translated to the Company's functional currency at exchange rates at the dates of the transactions.
- Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date.
- Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.
- Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in the Statement of Profit and Loss in the period in which they arise.

b) Financial instruments

I. Financial Assets

Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on



Wonder Space Properties Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2018

3 Significant Accounting Policies (*Continued*)

b) Financial instruments (*Continued*)

the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

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

I. Financial Assets (*Continued*)

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

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

Debt instruments at Fair Value through Profit or Loss

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

Derecognition

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

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



Wonder Space Properties Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2018

3 Significant Accounting Policies (*Continued*)

b) Financial instruments (*Continued*)

I. Financial Assets (*Continued*)

Impairment of financial assets

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

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

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

II. Financial Liabilities

Classification

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

Initial recognition and measurement

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

Loans and borrowings

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

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

This category generally applies to loans and borrowings.

Derecognition

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

Offsetting of financial instruments

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



Wonder Space Properties Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2018

3 Significant Accounting Policies (*Continued*)

b) Financial instruments (*Continued*)

III Share Capital

Ordinary equity shares

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

c) Inventories

Inventories comprising of completed flats and construction-work-in progress are valued at lower of Cost or Net Realisable value.

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.

d) Income tax

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

Current tax

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

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

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

Deferred tax

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

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

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



Wonder Space Properties Private Limited

Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2018

3 Significant Accounting Policies (*Continued*)

d) Income tax (*Continued*)

Deferred tax (Continued)

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

Deferred tax assets and liabilities are offset only if:

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

e) Borrowing costs

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

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

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

f) Cash and Cash Equivalents

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

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

g) Earnings Per Share

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



Wonder Space Properties Private Limited

Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2018

3 Significant Accounting Policies *(Continued)*

h) Provisions and Contingent Liabilities

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

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

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

Contingent assets are not recognised in the financial statements.

i) Events after reporting date

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

j) Segment reporting

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



Wonder Space Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2018

(Currency in INR Lakhs)

Note 2 Deferred Tax Assets and Tax Expense

a) Movement in Deferred Tax Balances

Particulars	Net Balance as at April 01, 2017	Movement during the year		As At March 31, 2018	
		Recognised in Profit or Loss	Other	Net	Deferred Tax Asset
Deferred Tax Assets					
Brought Forward Business Loss	33.16	(1.76)	-	31.40	31.40
Other Items	2.52	3.65	-	6.17	6.17
Deferred Tax Assets	35.68	1.89	-	37.57	37.57

Particulars	Net Balance as at April 01, 2016	Movement during the year		As At March 31, 2017	
		Recognised in Profit or Loss	Other	Net	Deferred Tax Asset
Deferred Tax Assets					
Brought Forward Business Loss	27.38	5.78	-	33.16	33.16
Other Items	(1.05)	3.57	-	2.52	2.52
Deferred Tax Assets	26.33	9.35	-	35.68	35.68

b) Amounts recognised in Profit and Loss

Particulars	March 31, 2018	March 31, 2017
Current Tax		
Tax Adjustment of Prior Years	-	3.32
Deferred Tax Credit		
Deferred Income Tax	(1.89)	(9.35)
Tax Expense for the year	(1.89)	(6.03)

c) Reconciliation of Effective Tax Rate

Particulars	March 31, 2018	March 31, 2017
(Loss) Before Tax	(4.03)	(19.34)
Tax Rate	26.00%	29.87%
Tax using the Company's domestic tax rate	(1.05)	(5.78)
Tax effect of:		
Origination and reversal of temporary differences	(0.84)	(0.25)
Tax expense recognised	(1.89)	(6.03)



Wonder Space Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2018

(Currency in INR Lakhs)

Note 3 Inventories (Valued at lower of Cost and Net Realisable Value)

Particulars	March 31, 2018	March 31, 2017
Construction Work in Progress (Refer Note 24)	11,322.64	10,814.57
	<u>11,322.64</u>	<u>10,814.57</u>

Note 4 Investments

Particulars	March 31, 2018	March 31, 2017
Investment in Mutual Funds carried at Fair Value through Profit or Loss	179.68	250.96
	<u>179.68</u>	<u>250.96</u>

Market Value of Quoted Investments

Aggregate book value of Quoted Investments and Market Value thereof	179.68	250.96
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Note 5 Cash and Cash Equivalents

Particulars	March 31, 2018	March 31, 2017
Balance With Banks		
in Current Accounts	12.46	1.99
Cash On Hand	0.00	0.00
	<u>12.46</u>	<u>1.99</u>

INR 0.00 represents amount less than INR 500

Note 6 Loans (Current)

Particulars	March 31, 2018	March 31, 2017
Secured, considered good		
To other than related parties		
Deposits - Projects (Refer Note (a) below)	11,707.52	10,672.40
	<u>11,707.52</u>	<u>10,672.40</u>

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

Note 7 Other Current Financial Assets

Particulars	March 31, 2018	31 March 2017
Secured, considered good		
To other than related parties		
Interest Accrued on Project Deposits	2,558.90	2,026.97
	<u>2,558.90</u>	<u>2,026.97</u>

Note 8 Other Current Non Financial Assets

Particulars	March 31, 2018	March 31, 2017
Unsecured, considered good		
To other than related parties		
Balances with Government Authorities	139.87	124.62
Advance to Suppliers & Contractors	-	0.18
Prepayments	0.31	0.59
	<u>140.18</u>	<u>125.39</u>



Wonder Space Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2018

(Currency in INR Lakhs)

Note 9 Equity Share Capital

Particulars	March 31, 2018	March 31, 2017
a) Authorised :		
301,000 Class A Equity shares of Rs. 10 each (Previous year 301,000 share of Rs. 10/- each)	30.10	30.10
105,000 Class B Equity shares of Rs. 10 each (Previous year 105,000 share of Rs. 10/- each)	10.50	10.50
11000 Class C Equity shares of Rs. 10 each (Previous year 11,000 share of Rs. 10/- each)	1.10	1.10
42,000 Ordinary Equity shares of Rs. 10/- each (Previous year 27,000 shares of Rs 10/- each)	4.20	2.70
	45.90	44.40
b) Issued, Subscribed & Paid Up:		
300,977 Class A Equity shares of Rs. 10 each (Previous year 300,977 share of Rs. 10/- each)	30.10	30.10
104,431 Class B Equity shares of Rs. 10/- each (Previous year 104,431 shares of Rs 10/- each)	10.44	10.44
10,651 Class C Equity shares of Rs. 10/- each (Previous year 10,651 shares of Rs 10/- each)	1.06	1.06
38,887 Ordinary Equity shares of Rs. 10/- each (Previous year 26,388 shares of Rs 10/- each)	3.89	2.64
	45.49	44.24

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

	March 31, 2018		March 31, 2017	
	No. of Shares	INR (In Lakhs)	No. of Shares	INR (In Lakhs)
Equity share - Class A				
Outstanding at the beginning of the year	3,00,977	30.10	3,00,977	30.10
Issued during the year	-	-	-	-
Outstanding at the end of the year	3,00,977	30.10	3,00,977	30.10
Equity share - Class B				
Outstanding at the beginning of the year	1,04,431	10.44	1,04,431	10.44
Issued during the year	-	-	-	-
Outstanding at the end of the year	1,04,431	10.44	1,04,431	10.44
Equity share - Class C				
Outstanding at the beginning of the year	10,651	1.06	10,651	1.06
Issued during the year	-	-	-	-
Outstanding at the end of the year	10,651	1.06	10,651	1.06
Equity share - Ordinary				
Outstanding at the beginning of the year	26,388	2.64	13,889	1.39
Issued during the year	12,499	1.25	12,499	1.25
Outstanding at the end of the year	38,887	3.89	26,388	2.64

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

Equity Share - Class A

Class A Shares held by M/s Subh properties Cooperatief U.A. (Coop) having voting rights of 72.10% of the total voting rights of the Shareholders of the Company and Dividend rights of 72.34% . 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.

Equity Share - Class B

Class B Shares held by Godrej Properties Limited (GPL) having voting rights of 25.10% of the total voting rights of the Shareholders of the Company and Dividend rights of 25.10 % . 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.

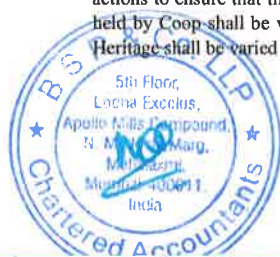
Equity Share - Class C

Class C Shares held by Mr. Gagan Chopra (Partner) C/o. Heritage Investments (Heritage) having voting rights of 2.80% of the total voting rights of the Shareholders of the Company and Dividend rights of 2.56%. 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.

Equity Share - Ordinary

Holders of equity shares are 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.

In accordance with the provisions of the Share Subscription, Share Purchase and Shareholders' Agreement , the Company shall undertake all corporate actions to ensure that the rights attached to the ordinary Equity Shares held by the Shareholders shall be varied in such a manner that the Equity Shares held by Coop shall be varied into Class A Shares; the Equity Shares held by GPL shall be varied into Class B Shares and the Equity Shares held by Heritage shall be varied into Class C Shares.



Wonder Space Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

as at March 31, 2018

(Currency in INR Lakhs)

f) Shareholders holding more than 5% shares in the company:

Particulars	March 31, 2018		March 31, 2017	
	No. of Shares	%	No. of Shares	%
Equity share				
Shubh Properties Cooperatief U.A (COOP) - Class A	3,00,977	100.00	3,00,977	100.00
Godrej Properties Limited- Class B	1,04,431	100.00	1,04,431	100.00
Mr. Gagan Chopra (Partner) C/o. Heritage Investments- Class C	10,651	100.00	10,651	100.00
Shubh Properties Cooperatief U.A (COOP) - Ordinary Shares	28,131	72.34	19,089	72.34
Godrej Properties Limited - Ordinary Shares	9,760	25.10	6,623	25.10

Note 10 Other Equity

Particulars	March 31, 2018	March 31, 2017
i) Securities Premium (Refer Note (a) below)	664.90	641.15
ii) Retained Earnings (Refer Note (b) below)	(38.37)	(36.23)
	626.53	604.92

(a) Securities Premium

The Securities Premium account has been created mainly on account of premium on issue of Equity shares.

(b) Retained Earnings

Retained Earnings are the profits that the company has earned till date, less any transfer to general reserves, dividends or other distributions paid to shareholders.

Note 11 Borrowings (Current)

Particulars	Interest Rate	March 31, 2018	March 31, 2017
Unsecured Debentures	17.45%	25,510.61	23,220.23
1,503,838 (Previous year 1,456,338) Compulsorily Convertible Debentures (CCD) [Class A,B and C] of Rs. 1,000 each (Refer note (a) below)			
		25,510.61	23,220.23

(a)

(i) Class A Debenture

Class A CCD shall be compulsorily convertible into equity shares on June 29, 2019, on the basis of fair market value per share of the company at the time of conversion as per discounted cash flow methodology or the minimum price determined as per the Indian exchange control regulation for conversion of class A CCDs into Class A shares, whichever is higher. These CCDs can be converted into equity shares earlier than the above mentioned period subject to terms of the shareholders agreement.

(ii) Class B Debenture

Each Class B CCD shall be compulsorily convertible into class B shares on June 29, 2019 on the basis of book value per share at the time of conversion. These CCDs can be converted into equity shares earlier than the above mentioned period subject to terms of the shareholders agreement.

(ii) Class C Debenture

Each Class C CCD shall be compulsorily convertible in to class C shares on June 29, 2019 on the basis of book value per share at the time of conversion. These CCDs can be converted into equity shares earlier than the above mentioned period subject to terms of the shareholders agreement.

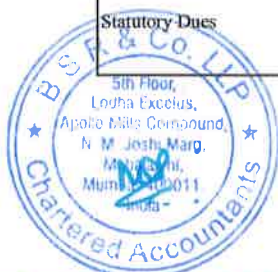
Note 12 Trade Payables (Current)

Particulars	March 31, 2018	March 31, 2017
Dues to Micro and Small Enterprises	-	-
Others	15.97	13.53
	15.97	13.53

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.

Note 13 Other Current Non Financial Liabilities

Particulars	March 31, 2018	March 31, 2017
Statutory Dues	29.16	254.75
	29.16	254.75



Wonder Space Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Lakhs)

Note 14 Other Income

Particulars	March 31, 2018	March 31, 2017
Interest Income	591.04	591.04
Income from Investment measured at FVTPL	-	11.10
Profit on sale of Investment	34.61	7.13
	<u>625.65</u>	<u>609.27</u>

Note 15 Cost of Sales

Particulars	March 31, 2018	March 31, 2017
Opening Stock:		
Construction Work in Progress	10,814.57	8,430.95
Add: Expenditure during the year		
Architect Fees	-	10.68
Other Cost*	(959.34)	1,591.57
Finance Costs	1,467.41	781.37
	<u>11,322.64</u>	<u>10,814.57</u>
Less : Closing Stock:		
Construction Work in Progress	11,322.64	10,814.57
	<u>-</u>	<u>-</u>

* Includes impact of Fair Valuation on Project Deposit.

Note 16 Finance Costs

Particulars	March 31, 2018	March 31, 2017
Interest Expense	2,076.38	1,368.25
Less: Capitalised to Construction Work in Progress	(1,467.41)	(781.37)
Net Finance Cost	<u>608.97</u>	<u>586.88</u>

Note 17 Other Expenses

Particulars	March 31, 2018	March 31, 2017
Other Expenses including payment to auditors (Refer Note 23)	20.71	41.73
	<u>20.71</u>	<u>41.73</u>



Wonder Space Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Lakhs)

Note 18 Earnings Per Share

a) Basic Earnings Per Share

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

(i) Loss attributable to ordinary shareholders (basic)

Particulars	March 31, 2018	March 31, 2017
(Loss) for the year, attributable to ordinary shareholders of the Company	(2.14)	(13.31)
	<u>(2.14)</u>	<u>(13.31)</u>

(ii) Weighted average number of ordinary shares (basic)

Particulars	March 31, 2018	March 31, 2017
Number of Weighted Average Equity Shares at the beginning of the year - Class A	3,00,977	3,00,977
Number of Weighted Average Equity Shares at the beginning of the year - Class B	1,04,431	-
Number of Weighted Average Equity Shares at the beginning of the year - Class C	10,651	-
Number of Weighted Average Equity Shares at the beginning of the year - Ordinary	26,388	-
Add: Weighted Average of shares issued during the year - Ordinary Shares	11,232	11,540
	<u>4,53,679</u>	<u>3,12,517</u>

Basic Earnings Per Share (INR) - Class A	(0.31)	(2.90)
Basic Earnings Per Share (INR) - Class B	(0.11)	(1.01)
Basic Earnings Per Share (INR) - Class C	(0.01)	(0.10)
Basic Earnings Per Share (INR) - Ordinary	(0.04)	(0.25)
Total	<u>(0.47)</u>	<u>(4.26)</u>

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 Space Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Lakhs)

Note 19 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			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Current							
Investments	179.68	-	179.68	179.68	-	-	179.68
Cash and cash equivalents	-	12.46	12.46	-	-	-	-
Deposits- Projects	-	11,707.52	11,707.52	-	-	-	-
Other Current Financial Assets	-	2,558.90	2,558.90	-	-	-	-
	179.68	14,278.88	14,458.56	179.68	-	-	179.68
Financial Liabilities							
Current							
Borrowings	-	25,510.61	25,510.61	-	-	-	-
Trade Payables	-	15.97	15.97	-	-	-	-
	-	25,526.58	25,526.58	-	-	-	-

March 31, 2017	Carrying amount			Fair value			
	Fair value through profit and loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets							
Current							
Investments	250.96	-	250.96	250.96	-	-	250.96
Cash and cash equivalents	-	1.99	1.99	-	-	-	-
Deposits- Projects	-	10,672.40	10,672.40	-	-	-	-
Other Current Financial Assets	-	2,026.97	2,026.97	-	-	-	-
	250.96	12,701.36	12,952.32	250.96	-	-	250.96
Financial Liabilities							
Current							
Borrowings	-	23,220.23	23,220.23	-	-	-	-
Trade Payables	-	13.53	13.53	-	-	-	-
	-	23,233.76	23,233.76	-	-	-	-

b) Measurement of Fair Value

The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

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.

(I) Credit risk

Trade and other receivables

The company does not have trade receivables and hence does not have any credit risk therefrom.

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 Space Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Lakhs)

(ii) Liquidity risk

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

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

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.

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
Financial Liabilities						
Current						
Borrowings	25,510.61	10,443.91	9,855.08	588.83	-	-
Trade Payables	15.97	15.97	15.97	-	-	-
	25,526.59	10,459.88	9,871.05	588.83	-	-

March 31, 2017	Carrying Amount	Contractual cash flows				
		Total	Within 12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities						
Current						
Borrowings	23,220.23	8,095.76	-	-	8,095.76	-
Trade Payables	13.53	13.53	13.53	-	-	-
	23,233.76	8,109.30	13.53	-	8,095.76	-

(iii) Market Risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – 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. All such transactions are carried out within the guidelines set by the Board. Generally, the Company seeks to apply hedge accounting to manage volatility in profit or loss.

a) Currency Risk

Currency risk is not material, as the Company 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.

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Note 20 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 Shareholders' 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 & 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	25,318.47	22,967.27
Total equity	672.02	649.16
Net debt to Equity ratio	37.68	35.38



Wonder Space Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Lakhs)

Note 21 Contingent Liabilities and Commitments

Particulars	March 31, 2018	March 31, 2017
Contingent Liabilities		
Claims against Company not Acknowledged as debts	Nil	Nil
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	Nil	Nil

Note 22 Specified Bank Note

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	INR
			Total
Closing cash in hand as on November 8, 2016	8,500	242	8,742
Add: Permitted Receipts	-	-	-
Less: Permitted Payments	-	-	-
Less: Amount deposited in Banks	8,500	-	8,500
	-	242	242

Note 23 Payment to Auditors (Net of Taxes)

Particulars	March 31, 2018	March 31, 2017 #
Statutory Audit	2.00	2.00
Audit Under Other Statutes	-	1.85
Total	2.00	3.85

#Payments to erstwhile Auditors



Wonder Space Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Lakhs)

Note 21 Contingent Liabilities and Commitments

Particulars	March 31, 2018	March 31, 2017
Contingent Liabilities		
Claims against Company not Acknowledged as debts	Nil	Nil
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	Nil	Nil

Note 24 Construction Contracts

Particulars	March 31, 2018	March 31, 2017
For contracts in progress as on the reporting date		
Aggregate amount of contract costs incurred and profits recognized (less recognized losses) till reporting date	11,322.64	10,814.57
Balance of Advance from customer as on reporting date	-	-
Amount of work-in-progress and the value of inventories as on the reporting date	11,322.64	10,814.57
Excess of revenue recognized over actual bills raised (Unbilled revenue)	-	-

Note 25 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 segments namely, Development of real estate property. The Board of Directors of the Company act as the Chief Operating Decision Maker ("CODM"). The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators.

(b) Information about Products and Services

The Company has revenue from external customer to the extent of INR 00.00 Crore (Previous Year: INR 00.00 Crore).

B. Information about Geographical Areas

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

C. Information about major customers

There were no reportable customers during the year ended March 31, 2018 (Previous Year : INR NIL)

Note 26 Other Matters

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



Wonder Space Properties Private Limited

Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2018

(Currency in INR Lakhs)

Note 27 Related Party

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. Mr. Gagan Chopra (Partner) C/o. Heritage Investments
3. Godrej Properties Limited (GPL)

ii. Key Management Personnel :

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

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) above

Nature of Transaction	Shubh Properties Coöperatief U.A (COOP) (i) (1)	Godrej Properties Limited (GPL) (i) (3)	Mr. Gagan Chopra (Partner) C/o. Heritage Investments (i) (2)	Key Management Personnel (ii)	Total
Transactions during the Year					
Issue of Equity Share Capital including Share premium					
Current Year	18.09	6.27	0.64	-	25.00
Previous Year	18.09	6.27	0.64	-	25.00
Issue of Debenture					
Current Year	343.61	119.23	12.16	-	475.00
Previous Year	343.61	119.23	12.16	-	475.00
Loan Taken					
Current Year	-	51.03	-	-	51.03
Previous Year	-	-	-	-	-
Loan Repaid/Payment for taxes					
Current Year	-	51.03	-	-	51.03
Previous Year	-	-	-	-	-
Expenses charged by other Companies / Entities					
Current Year	-	-	-	-	-
Previous Year	-	0.03	-	-	0.03
Debenture Interest					
Current Year	1,501.99	521.15	53.15	-	2,076.29
Previous Year	2,228.90	773.37	78.88	-	3,081.15
Other Interest					
Current Year	-	0.08	-	-	0.08
Previous Year	-	-	-	-	-
Directors Fees					
Current Year	-	-	-	2.00	2.00
Previous Year	-	-	-	2.50	2.50
Balance Outstanding as on March 31, 2018					
Amount Payables					
Current Year	7,515.24	2,662.71	265.95	-	10,443.90
Previous Year	5,856.47	2,032.03	207.25	-	8,095.75
Debenture Outstanding					
Current Year	10,899.25	3,781.75	385.71	-	15,066.71
Previous Year	10,941.04	3,796.24	387.19	-	15,124.47

As per our Report of even date.

For B S R & Co. LLP

Chartered Accountants

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



Mansi Pardiwalla

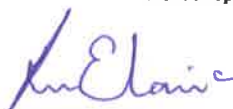
Partner

Membership Number: 108511

Mumbai

May 02, 2018

For and on behalf of the Board of Directors of
Wonder Space Properties Private Limited



Keki M. Elavia

Director

DIN: 00003940

Mumbai

May 02, 2018



Girish Singhi

Director

DIN: 07773088