

# Wonder Space Properties Private Limited

## Balance Sheet

as at March 31, 2020

(Currency in INR Lakhs)

Particulars	Note	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Financial Assets			
Trade Receivables	2	8,982.78	-
Deferred Tax Assets (Net)	3	822.82	47.31
Income Tax Assets (Net)		700.31	390.73
<b>Total Non-Current Assets</b>		<b>10,505.91</b>	<b>438.04</b>
<b>Current Assets</b>			
Inventories	4	-	12,455.60
Financial Assets			
Trade Receivables	5	24,377.91	-
Cash and Cash Equivalents	6	0.68	2.04
Loans	7	-	12,814.48
Other Current Financial Assets	8	-	3,090.84
Other Current Non Financial Assets	9	-	186.56
<b>Total Current Assets</b>		<b>24,378.59</b>	<b>28,549.52</b>
<b>TOTAL ASSETS</b>		<b>34,884.50</b>	<b>28,987.56</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	10	45.49	45.49
Other Equity		8,480.76	560.63
<b>Total Equity</b>		<b>8,526.25</b>	<b>606.12</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	11	22,549.64	28,325.03
Trade Payables			
total outstanding dues of micro enterprises and small enterprises (refer note 25)		-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		7.88	33.16
Other Current Non Financial Liabilities	12	18.45	23.25
Current Tax Liabilities (Net)		3,782.28	-
<b>Total Current Liabilities</b>		<b>26,358.25</b>	<b>28,381.44</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>34,884.50</b>	<b>28,987.56</b>
<b>Significant Accounting Policies</b>			
1			

The accompanying notes 1 to 29 form an integral part of these 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**  
CIN: U70102MH2013PTC242495

**MANSI PARDIWALLA**  
Partner  
Membership No: 108511

Mumbai  
May 08, 2020

**GAURAV PANDEY**  
Director  
DIN: 07229661

Gurugram  
May 08, 2020

**GEETIKA TREHAN**  
Director  
DIN: 08309875

Delhi  
May 08, 2020

# Wonder Space Properties Private Limited

## Statement of Profit and Loss

for the year ended March 31, 2020

(Currency in INR Lakhs)

Particulars	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>INCOME</b>			
Revenue from Operations	13	33,831.00	-
Other Income	14	-	594.42
<b>Total Income</b>		<b>33,831.00</b>	<b>594.42</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	15	8,754.11	1,132.96
Change in inventories of construction work-in-progress	16	12,455.60	(1,132.96)
Finance Costs	17	1,825.98	591.71
Other Expenses	18	3.81	40.16
<b>Total Expenses</b>		<b>23,039.50</b>	<b>631.87</b>
<b>Profit/(Loss) before Tax</b>		<b>10,791.50</b>	<b>(37.45)</b>
<b>Tax Expense</b>			
Current Tax	3(a)	3,646.88	38.19
Deferred Tax (Credit)	3(b)	(775.51)	(9.74)
<b>Total Tax Expense</b>		<b>2,871.37</b>	<b>28.45</b>
<b>Profit/(Loss) for the Year</b>		<b>7,920.13</b>	<b>(65.90)</b>
<b>Other Comprehensive Income for the Year (Net of Tax)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income/ (Loss) for the Year</b>		<b>7,920.13</b>	<b>(65.90)</b>
<b>Earnings Per Share (Amount in INR)</b>			
Basic and Diluted	19		
Basic and Diluted Earning Per Share (INR) - Class A		1,151.72	(9.58)
Basic and Diluted Earning Per Share (INR) - Class B		399.62	(3.32)
Basic and Diluted Earning Per Share (INR) - Class C		40.75	(0.34)
Basic and Diluted Earning Per Share (INR) - Ordinary		148.80	(1.24)

### Significant Accounting Policies

1

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

As per our report of even date.

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Chartered Accountants

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# Wonder Space Properties Private Limited

## Statement of Cash Flows

for the year ended March 31, 2020

(Currency in INR Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Cash Flow from Operating Activities</b>		
Profit/(Loss) before Tax	10,791.50	(37.45)
<b>Adjustments for:</b>		
Finance costs	1,825.98	591.71
Interest income	-	(591.04)
Profit on sale of investments (net)	-	(2.90)
<b>Operating profit/(loss) before working capital changes</b>	<b>12,617.48</b>	<b>(39.68)</b>
<b>Changes in Working Capital:</b>		
(Decrease) in Non Financial Liabilities	(4.80)	(5.90)
(Decrease) / Increase in Financial Liabilities	(25.28)	17.18
Decrease in Inventories	13,020.51	613.90
Decrease / (Increase) in Non Financial Assets	186.56	(46.38)
(Increase) in Financial Assets	(20,646.52)	(1,106.97)
Taxes Paid (net)	(7,469.53)	(528.17)
<b>Net cash flows generated from/ (used in) operating activities</b>	<b>4,973.77</b>	<b>(727.96)</b>
<b>Cash Flow from Investing Activities</b>		
Sale of Investment in mutual funds (net)	-	182.58
Interest Received	3,090.84	59.10
<b>Net cash flows generated from investing activities</b>	<b>3,090.84</b>	<b>241.68</b>
<b>Cash Flow from financing activities</b>		
(Repayment of) / Proceeds from short-term borrowings (net)	(8,065.97)	11,372.99
Interest paid	-	(10,897.13)
<b>Net cash flows (used in) / generated from financing activities</b>	<b>(8,065.97)</b>	<b>475.86</b>
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(1.36)</b>	<b>(10.42)</b>
<b>Cash and Cash Equivalents - Opening Balance</b>	<b>2.04</b>	<b>12.46</b>
<b>Cash and Cash Equivalents - Closing Balance</b>	<b>0.68</b>	<b>2.04</b>

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

(b) 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, 2020	For the year ended March 31, 2019
Cash and Cash Equivalents (refer Note 6)	0.68	2.04
<b>Cash and Cash Equivalents as per Statement of Cash Flows</b>	<b>0.68</b>	<b>2.04</b>

# Wonder Space Properties Private Limited

## Statement of Cash Flows (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

Notes (Continued) :

(c) Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes:

Particular	As at April 01, 2019	Changes in Statement of Cash Flows	Non Cash Changes		As at March 31, 2020
			Other Non Cash Movements (Interest Accrued)	Fair Value Changes	
Short-term borrowings	28,325.03	(8,065.97)	2,290.58	-	22,549.64

Particular	As at April 01, 2018	Changes in Statement of Cash Flows	Non Cash Changes		As at March 31, 2019
			Other Non Cash Movements (Interest Accrued)	Fair Value Changes	
Short-term borrowings	15,038.38	11,372.99	1,913.66	-	28,325.03

The accompanying notes 1 to 29 form an integral part of these 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**

CIN: U70102MH2013PTC242495

**MANSI PARDIWALLA**

*Partner*

Membership No: 108511

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DIN: 08309875

Delhi

May 08, 2020

# Wonder Space Properties Private Limited

## Statement of Changes in Equity

for the year ended March 31, 2020

(Currency in INR Lakhs)

### a) Equity Share Capital

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Balance at the beginning of the year	45.49	45.49
Balance at the end of the year	<b>45.49</b>	45.49

### b) Other Equity

Particulars	Reserve and Surplus		Total
	Securities Premium (refer Note (a) below)	Retained Earnings (refer Note (b) below)	
<b>Balance as at April 01, 2018</b>	664.90	(38.37)	626.53
Total Comprehensive Income:			
i) (Loss) for the year	-	(65.90)	(65.90)
<b>Balance as at March 31, 2019</b>	<b>664.90</b>	<b>(104.27)</b>	<b>560.63</b>

Particulars	Reserve and Surplus		Total
	Securities Premium (refer Note (a) below)	Retained Earnings (refer Note (b) below)	
<b>Balance as at April 01, 2019</b>	<b>664.90</b>	<b>(104.27)</b>	<b>560.63</b>
Total Comprehensive Income:			
i) Profit for the year	-	7,920.13	7,920.13
<b>Balance as at March 31, 2020</b>	<b>664.90</b>	<b>7,815.86</b>	<b>8,480.76</b>

#### (a) Securities Premium

Securities premium reserve is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Act.

#### (b) Retained Earnings

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

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

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

CIN: U70102MH2013PTC242495

**MANSI PARDIWALLA**

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Membership No: 108511

Mumbai

May 08, 2020

**GAURAV PANDEY**

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**GEETIKA TREHAN**

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DIN: 08309875

Delhi

May 08, 2020

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements

for the year ended March 31, 2020

(Currency in INR Lakhs)

### Note 1

#### I. Company overview

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

#### II. Basis of preparation and measurement

##### a) Statement of compliance

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

The financial statements of the Company for the year ended March 31, 2020 were approved by the Board of Directors and authorised for issue on May 08, 2020.

##### 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 lakh, unless otherwise stated.

##### c) Basis of measurement

These financial statements have been prepared on historical cost basis except certain financial instruments measured at fair value.

##### d) 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. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future period

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

### Note 1 *(Continued)*

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

##### d) Use of Estimates and Judgements *(Continued)*

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

- *Evaluation of satisfaction of performance obligation at a point in time for the purpose of revenue recognition*

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

- *Evaluation of Net realisable Value of Inventories*

Inventories comprising of completed flats and construction-work-in progress are valued at lower of cost and net realisable value. Net Realisable value is based upon the estimates of the management. The effect of changes, if any, to the estimates is recognised in the standalone 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 deferred tax assets in respect of brought forward business losses is recognised based on reasonable certainty of the projected profitability, determined on the basis of approved business plans, to the extent that sufficient taxable income will be available to absorb the brought forward business losses.

- *Provisions and Contingencies*

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

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

### Note 1 *(Continued)*

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

##### e) Standard issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2020.

##### f) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial and non-financial assets and liabilities.

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.

##### g) Scheme of Arrangements/Merger

The Board of Directors of the Company at its meeting held on August 8, 2019, approved the merger of Wonder Space Properties Private Limited ('WSPPL' or 'the Transferor Company'), with its holding company namely Godrej Properties Limited ('GPL' or 'the Transferee Company') and their respective Shareholders, under the provisions of Sections 230 to 232 of the Companies Act, 2013; with effect from April 05, 2019, ("the Appointed Date") subject to obtaining necessary approvals of National Company Law Tribunal (NCLT) at Mumbai.



# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

### Note 1 (*Continued*)

#### III. Significant Accounting Policies

##### a) Impairment of non-financial assets

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

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

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

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

##### b) Foreign currency transactions

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

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

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into functional currency at the exchange rate when the fair value was determined.

Non-monetary assets and liabilities 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.

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

### Note 1 (*Continued*)

### III. Significant Accounting Policies (*Continued*)

#### c) Financial instruments

##### I. Financial Assets

###### Classification

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

###### Initial recognition and measurement

Trade receivables and debt securities issued are initially recognised when they originate.

The Company recognises financial assets (other than trade receivables and debt securities) when it becomes a party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

###### Subsequent measurement

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

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

###### Debt instruments at amortized 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.

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

### Note 1 *(Continued)*

### III. Significant Accounting Policies *(Continued)*

#### c) Financial instruments *(Continued)*

##### I. Financial Assets *(Continued)*

A debt investment is measured at FVOCI if it meets both of the following conditions or is not designated as at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cashflow and selling financial assets, and
- The contractual terms of the financial assets give rise on the specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### 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:

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

##### Impairment of financial assets

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

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

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

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

### Note 1 (*Continued*)

### III. Significant Accounting Policies (*Continued*)

#### c) Financial instruments (*Continued*)

##### 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.

##### III. Share Capital

###### Ordinary equity shares

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

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

### Note 1 *(Continued)*

#### III. Significant Accounting Policies *(Continued)*

##### d) Compound financial instruments

Compound financial instruments issued by the company comprises of convertible debentures denominated in INR that can be converted to equity shares at the option of the holder, wherein the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have equity conversion option. The Equity component is initially recognised as the difference between fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts

##### e) Inventories

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

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

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The inventory of construction work-in- progress is not written down below cost if flats /properties are expected to be sold at or above cost.

##### f) Revenue Recognition

The Company derives revenues primarily from sale of properties comprising of residential units.

The Company recognises revenue when it determines the satisfaction of performance obligations as determined by the terms of contract with customers at a point in time. Subsequently the Company records revenue over time till the possession to the customers. Revenue is recognised upon transfer of control of promised products to customer in an amount that reflects the consideration which the company expects to receive in exchange for those products.

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

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

### Note 1 (*Continued*)

#### III. Significant Accounting Policies (*Continued*)

##### f) Revenue Recognition (*Continued*)

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liabilities are recognised when there is billing in excess of revenue and advance received from customers.

##### Interest income

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

Interest on delayed payment and forfeiture income are accounted based upon underlying agreements with customers

##### g) 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.

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

### Note 1 *(Continued)*

#### III. Significant Accounting Policies *(Continued)*

##### g) Income-tax *(Continued)*

###### *Deferred tax (Continued)*

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

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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

Deferred tax assets and liabilities are offset only if:

- 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.

###### *Minimum Alternative Tax (MAT)*

MAT credit is recognised as a deferred tax asset only when and to the extent there is a convincing evidence that the Company will pay normal tax during specified period. MAT credit is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

###### *Section 115BAA*

A new Section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section and accordingly, the Company has decided to adopt the new rate and recognised provision for income tax on the basis of the rate prescribed in the said new section and re-measured its deferred tax assets/liabilities accordingly for the year ended March 31, 2020

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

### Note 1 *(Continued)*

#### III. Significant Accounting Policies *(Continued)*

##### h) 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.

##### i) 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.

##### j) Earnings Per Share

This Basic earnings per share is computed by dividing the profit/ (loss) after tax attributable to the equity shareholders 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 attributable to the equity shareholders as adjusted 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. If potential equity shares converted into equity shares increases the earnings per share, then they are treated as anti-dilutive and anti-dilutive earning per share is computed.

##### k) Provisions and Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present legal or constructive 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 at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability 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. The unwinding of the discount is recognised as finance cost.



# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements *(Continued)*

for the year ended March 31, 2020

(Currency in INR Lakhs)

### Note 1 *(Continued)*

### III. Significant Accounting Policies *(Continued)*

#### l) Provisions and Contingent Liabilities and Contingent Assets *(Continued)*

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

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

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

#### m) Segment reporting

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

#### n) 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 standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

#### o) Change in significant accounting policies

The Company has applied Ind AS 116 Leases using the modified retrospective approach (for all leases other than short-term leases and leases of low-value assets) i.e. by recognising the cumulative effect of initially applying Ind AS 116 as an adjustment to the opening balance of equity as at April 01, 2019. Due to the transition method chosen by the Company in applying this standard, comparative information throughout these financial statements has not been restated and continues to be reported under IND AS 17.

Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses related to those leases will change as Ind AS 116 replaces the operating lease expense (i.e. rent) with depreciation charge for ROU assets and interest expense on lease liabilities.

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

### 3 Deferred Tax Assets and Tax Expense

#### a) Amounts recognised in the statement of profit and loss

Particulars	March 31, 2020	March 31, 2019
<b>Current Tax</b>	<b>3,646.88</b>	38.19
Current Tax	3,587.78	-
Tax Adjustment of Prior Years	59.10	38.19
<b>Deferred Tax (Credit)</b>	<b>(775.51)</b>	(9.74)
Deferred Tax	(775.51)	(9.74)
<b>Tax Expense for the year</b>	<b>2,871.37</b>	28.45

#### b) Movement in Deferred Tax Balances

Particulars	Balance as at April 01, 2019	Movement during the year		Balance as at March 31, 2020
		Recognised in Profit or Loss		
<b>Deferred Tax Assets</b>				
Brought Forward Loss	41.01	(41.01)		-
Other Items	6.30	(6.30)		-
Fair Valuation of Trade Receivables	-	822.82		822.82
<b>Deferred Tax Assets</b>	<b>47.31</b>	<b>775.51</b>		<b>822.82</b>

Particulars	Balance as at April 01, 2018	Movement during the year		Balance as at March 31, 2019
		Recognised in Profit or Loss		
<b>Deferred Tax Assets</b>				
Brought Forward Loss	31.40	9.61		41.01
Other Items	6.17	0.13		6.30
<b>Deferred Tax Assets</b>	<b>37.57</b>	<b>9.74</b>		<b>47.31</b>

#### c) Reconciliation of Effective Tax Rate

Particulars	March 31, 2020	March 31, 2019
<b>Profit/(Loss) before Tax</b>	<b>10,791.50</b>	(37.45)
Tax using the Company's domestic tax rate 25.17% (Previous Year: 26%)	2,716.00	(9.74)
<b>Tax effect of:</b>		
Change in recognised deductible temporary differences	(775.51)	-
Adjustment for tax of prior years	59.10	38.19
Fair valuation on adjustment of Trade Receivables	871.77	-
<b>Tax expense recognised</b>	<b>2,871.37</b>	28.45

#### d) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

Particulars	March 31, 2020		March 31, 2019	
	Gross Loss	Unrecognised tax effect	Gross Loss	Unrecognised tax effect
Business losses	-	-	(37.45)	(9.74)

#### e) Tax Losses Carried Forward

Particulars	March 31, 2020		March 31, 2019	
	Gross Loss	Expiry Date	Gross Loss	Expiry Date
Expire	Nil	Nil	(19.48)	2023-24
			(19.34)	2024-25
			(4.03)	2025-26
			(37.45)	2026-27

f) On 30th March 2019, MCA has issued amendment regarding the Income Tax uncertainty over Income Tax Treatments. As per the Company's assessment, there are no material income tax uncertainties over income tax treatments during the current financial year.

g) A new Section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section. The Company has decided to continue with the existing tax structure for the year ended March 31, 2020.

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements (*Continued*)

as at March 31, 2020

(Currency in INR Lakhs)

	March 31, 2020	March 31, 2019
<b>2 Trade Receivables (Non Current)</b>		
<i>Unsecured, Considered Good</i>		
<i>To related parties</i>		
Outstanding for a period more than 12 months from the date they are due for payment	8,982.78	-
	<u>8,982.78</u>	<u>-</u>
<b>4 Inventories (Valued at lower of Cost and Net Realisable Value)</b>		
Construction Work in Progress (refer Note 16)	-	12,455.60
	<u>-</u>	<u>12,455.60</u>
<b>5 Trade Receivables (Current)</b>		
<i>Unsecured, Considered Good</i>		
<i>To related parties</i>		
Outstanding for a period less than 12 months from the date they are due for payment	24,377.91	-
	<u>24,377.91</u>	<u>-</u>
<b>6 Cash and Cash Equivalents</b>		
<b>Balances With Banks</b>		
In Current Accounts	0.68	1.96
Cash On Hand	-	0.08
	<u>0.68</u>	<u>2.04</u>
<b>7 Loans (Current)</b>		
<i>Secured, Considered Good</i>		
<i>To parties other than related parties</i>		
Deposits - Projects (refer Note (a) below)	-	12,814.48
	<u>-</u>	<u>12,814.48</u>
(a) Deposits - Projects are Secured against Terms of Development Agreement.		
<b>8 Other Current Financial Assets</b>		
<i>Secured, Considered Good</i>		
<i>To parties other than related parties</i>		
Interest Accrued on Project Deposits	-	3,090.84
	<u>-</u>	<u>3,090.84</u>
<b>9 Other Current Non Financial Assets</b>		
<i>Unsecured, Considered Good</i>		
<i>To parties other than related parties</i>		
Balances with Government Authorities	-	179.81
Advance to Suppliers and Contractors	-	6.75
	<u>-</u>	<u>186.56</u>

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

March 31, 2020      March 31, 2019

### 10 Equity Share Capital

#### a) Authorised :

301,000 Class A Equity shares of Rs. 10 each (Previous year 301,000 share of Rs. 10/- each)	<b>30.10</b>	30.10
105,000 Class B Equity shares of Rs. 10 each (Previous year 105,000 share of Rs. 10/- each)	<b>10.50</b>	10.50
11000 Class C Equity shares of Rs. 10 each (Previous year 11,000 share of Rs. 10/- each)	<b>1.10</b>	1.10
42,000 Ordinary Equity shares of Rs. 10/- each (Previous year 42,000 shares of Rs 10/- each)	<b>4.20</b>	4.20
	<b>45.90</b>	45.90

#### b) Issued, Subscribed and Paid-Up:

300,977 Class A Equity shares of Rs. 10 each (Previous year 300,977 share of Rs. 10/- each)	<b>30.10</b>	30.10
104,431 Class B Equity shares of Rs. 10/- each (Previous year 104,431 shares of Rs 10/- each)	<b>10.44</b>	10.44
10,651 Class C Equity shares of Rs. 10/- each (Previous year 10,651 shares of Rs 10/- each)	<b>1.06</b>	1.06
38,887 Ordinary Equity shares of Rs. 10/- each (Previous year 38,887 shares of Rs 10/- each)	<b>3.89</b>	3.89
	<b>45.49</b>	45.49

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

	March 31, 2020		March 31, 2019	
	No. of Shares	INR (In Lakhs)	No. of Shares	INR (In Lakhs)
<b>Equity Shares : Class A</b>				
Outstanding at the beginning of the year	<b>3,00,977</b>	<b>30.10</b>	3,00,977	30.10
Issued during the year	-	-	-	-
Outstanding at the end of the year	<b>3,00,977</b>	<b>30.10</b>	3,00,977	30.10
<b>Equity Shares : Class B</b>				
Outstanding at the beginning of the year	<b>1,04,431</b>	<b>10.44</b>	1,04,431	10.44
Issued during the year	-	-	-	-
Outstanding at the end of the year	<b>1,04,431</b>	<b>10.44</b>	1,04,431	10.44
<b>Equity Shares : Class C</b>				
Outstanding at the beginning of the year	<b>10,651</b>	<b>1.06</b>	10,651	1.06
Issued during the year	-	-	-	-
Outstanding at the end of the year	<b>10,651</b>	<b>1.06</b>	10,651	1.06
<b>Equity Shares : Ordinary</b>				
Outstanding at the beginning of the year	<b>38,887</b>	<b>3.89</b>	38,887	3.89
Issued during the year	-	-	-	-
Outstanding at the end of the year	<b>38,887</b>	<b>3.89</b>	38,887	3.89

#### d) Shareholding Information

Equity shares are held by :	March 31, 2020		March 31, 2019	
	INR (In Lakhs)	%	INR (In Lakhs)	%
<b>Class A Equity Shares are held by:</b>				
M/s Godrej Properties Limited (Holding Company)	<b>30.10</b>	<b>66.16</b>	-	-
Shubh Properties Cooperatief U.A (COOP)	-	-	30.10	66.16
<b>Class B Equity Shares are held by:</b>				
M/s Godrej Properties Limited (Holding Company)	<b>10.44</b>	<b>22.95</b>	10.44	22.95
<b>Class C Equity Shares are held by:</b>				
M/s Godrej Properties Limited (Holding Company)	<b>1.06</b>	<b>2.34</b>	-	-
Mr. Gagan Chopra (Partner) C/o. Heritage Investments	-	-	1.06	2.34
<b>Ordinary Equity Shares are held by:</b>				
M/s Godrej Properties Limited (Holding Company)	<b>3.89</b>	<b>8.55</b>	0.98	2.15
Shubh Properties Cooperatief U.A (COOP)	-	-	2.81	6.18
Mr. Gagan Chopra (Partner) C/o. Heritage Investments	-	-	0.10	0.22
M/s Godrej Projects Development Limited	<b>0.00</b>	<b>0.00</b>	-	-

INR 0.00 represents amount less than INR 10

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

### 10 Equity Share Capital (Continued)

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

##### Equity Shares : Class A

Class A Shares held by M/s Godrej Properties Limited (GPL) 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 is eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

##### Equity Shares : Class B

Class B Shares held by M/s 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 Shares : Class C

Class C Shares held by M/s Godrej Properties Limited (GPL) 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 GPL shall be varied into Class A Shares, Class B Shares and Class C Shares.

#### Shares reserved for Optionally Convertible Debentures:

12% (Previous Year: 12%) 10,87,876 number of Class A Optionally Convertible Debentures (OCDs) of INR. 1,000 each allotted in FY 2018-19 shall be converted into equity shares at fair value determined as on June 29, 2021

12% (Previous Year: 12%) 3,77,464 number of Class B Optionally Convertible Debentures (OCDs) of INR. 1,000 each allotted in FY 2018-19 shall be converted into equity shares at fair value determined as on June 29, 2021

12% (Previous Year: 12%) 38,498 number of Class C Optionally Convertible Debentures (OCDs) of INR. 1,000 each allotted in FY 2018-19 shall be converted into equity shares at fair value determined as on June 29, 2021

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

Particulars	March 31, 2020		March 31, 2019	
	No. of Shares	%	No. of Shares	%
<b>Class A Equity Shares</b>				
M/s Godrej Properties Limited (Holding Company)	3,00,977	100.00	-	-
Shubh Properties Cooperatief U.A (COOP)	-	-	3,00,977	100.00
<b>Class B Equity Shares</b>				
M/s Godrej Properties Limited	1,04,431	100.00	1,04,431	100.00
<b>Class C Equity Shares</b>				
M/s Godrej Properties Limited (Holding Company)	10,651	100.00	-	-
Mr. Gagan Chopra (Partner) C/o. Heritage Investments	-	-	10,651	100.00
<b>Ordinary Equity Shares</b>				
M/s Godrej Properties Limited (Holding Company)	38,886	100.00	9,760	25.10
Shubh Properties Cooperatief U.A (COOP)	-	-	28,131	72.34

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements (Continued)

as at March 31, 2020

(Currency in INR Lakhs)

### 11 Borrowings (Current)

Particulars	March 31, 2020	March 31, 2019
<b>Unsecured Debentures</b>		
<b>From Related parties</b>		
<b>Optionally Convertible Debentures (OCD)</b>		
10,87,876 (Previous year: 10,19,154) number of Class A Optionally Convertible Debentures (OCD) of face value of Rs. 1000/- each (refer Note (a) below) having interest rate @ 12% pa (PY-12%)	13,383.67	11,534.92
3,77,464 (Previous year: 3,77,464) number of Class B Optionally Convertible Debentures (OCD) of face value of Rs. 1000/- each (refer Note (b) below) having interest rate @ 12% pa (PY-12%)	4,643.78	4,272.19
38,498 (Previous year: 38,498) number of Class C Optionally Convertible Debentures (OCD) of face value of Rs. 1000/- each (refer Note (c) below) having interest rate @ 12% pa (PY-12%)	473.62	435.73
<b>Compulsorily Convertible Debentures (CCD)</b>		
Nil (Previous year: 68,722) number of Class A Compulsorily Convertible Debentures (CCD) of face value Rs. 1,000 each (refer Note (d) below) having interest rate @ Nil (PY-Nil)	-	687.22
<b>Unsecured Loans</b>		
Loan from Related party*	4,048.57	11,394.97
	<b>22,549.64</b>	<b>28,325.03</b>

\*Loan is availed from Godrej Properties Limited bearing interest rate @ 8.5% p.a. (Previous Year: 10% p.a.). The outstanding interest on borrowings as at every year-end is converted into loan as on first day of the next financial year.

#### Optionally Convertible Debentures (OCD)

##### (a) Class A Debenture

Class A OCD shall be Optionally convertible into equity shares on June 29, 2021 at par. These OCD's can be converted into equity shares earlier than the above mentioned period subject to terms of the shareholders agreement. The Class A OCD's will have a fixed Interest rate of 12% (twelve percent) per annum or such other rate as the Board may decide, which shall be accrued and become due on a quarterly basis.

##### (b) Class B Debenture

Class B OCD shall be Optionally convertible into equity shares on June 29, 2021 at par. These OCD's can be converted into equity shares earlier than the above mentioned period subject to terms of the shareholders agreement. The Class B OCD's will have a fixed Interest rate of 12% (twelve percent) per annum or such other rate as the Board may decide, which shall be accrued and become due on a quarterly basis.

##### (c) Class C Debenture

Class C OCD shall be Optionally convertible into equity shares on June 29, 2021 at par. These OCD's can be converted into equity shares earlier than the above mentioned period subject to terms of the shareholders agreement. The Class C OCD's will have a fixed Interest rate of 12% (twelve percent) per annum or such other rate as the Board may decide, which shall be accrued and become due on a quarterly basis.

#### Compulsorily Convertible Debentures (CCD)

##### (d) Class A Debenture

Class A CCD shall be compulsorily convertible into equity shares on June 29, 2020, 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 CCD's can be converted into equity shares earlier than the above mentioned period subject to terms of the shareholders agreement.

There will be no interest accrued or payable on the CCD's till the completion of 12 months from April'2019. Subsequent to this period of 12 months from CCD completion date, throughout the term of the CCD's until conversion, the CCD's will have a fixed Interest rate of 12% (twelve percent) per annum or such other rate as the Board may decide, which shall be accrued and become due on a yearly basis.

### 12 Other Current Non Financial Liabilities

#### To parties other than related parties

Statutory Dues	18.45	23.25
	<b>18.45</b>	<b>23.25</b>

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

	March 31, 2020	March 31, 2019
<b>13 Revenue from Operations</b>		
Sale of Real Estate Developments	33,831.00	-
	<u>33,831.00</u>	<u>-</u>
<b>14 Other Income</b>		
Interest Income	-	591.04
Profit on Sale of Investments (net)	-	3.38
	<u>-</u>	<u>594.42</u>
<b>15 Cost of Materials Consumed</b>		
Land/ Development Right	7,998.81	-
Construction, Material and Labour	-	30.67
Architect Fees	-	64.13
Other Costs*	190.39	(956.77)
Finance Costs	564.91	1,994.93
	<u>8,754.11</u>	<u>1,132.96</u>
* Previous year figure includes impact of fair valuation on project deposit.		
<b>16 Change in inventories of construction work-in-progress</b>		
<b>Inventories at the beginning of the year</b>		
Construction Work-in-Progress	12,455.60	11,322.64
	<u>12,455.60</u>	<u>11,322.64</u>
<b>Inventories at the end of the year</b>		
Construction Work-in-Progress	-	12,455.60
	<u>-</u>	<u>12,455.60</u>
	<u>12,455.60</u>	<u>(1,132.96)</u>
<b>17 Finance Costs</b>		
Interest Expense	2,096.08	2,586.64
Interest Loss on change in Payment terms measured at FVTPL	100.31	
Interest on Income Tax	194.50	-
<b>Total Finance Costs</b>	<u>2,390.89</u>	<u>2,586.64</u>
Less : Transferred to construction work-in-progress	(564.91)	(1,994.93)
<b>Net Finance Costs</b>	<u>1,825.98</u>	<u>591.71</u>
<b>18 Other Expenses</b>		
Consultancy Charges	0.28	0.05
Rates and Taxes	0.10	0.02
Advertisement and Marketing Expense	-	28.11
Payment to Auditors (refer note 24)	3.43	2.16
Other Expenses	-	9.82
	<u>3.81</u>	<u>40.16</u>

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

### 19 Earnings Per Share

#### a) Basic Earnings Per Share

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

	March 31, 2020	March 31, 2019
<b>(i) Profit attributable to ordinary shareholders (basic)</b>		
Profit/(Loss) for the Year, attributable to ordinary shareholders of the Company	7,920.13	(65.90)
	<u>7,920.13</u>	<u>(65.90)</u>
<b>(ii) Weighted average number of ordinary shares (basic)</b>		
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	1,04,431
Number of Weighted Average Equity Shares at the beginning of the year- Class C	10,651	10,651
Number of Weighted Average Equity Shares at the beginning of the year- Ordinary	38,887	38,887
Basic and Diluted Earning Per Share (INR) - Class A	1,151.72	(9.58)
Basic and Diluted Earning Per Share (INR) - Class B	399.62	(3.32)
Basic and Diluted Earning Per Share (INR) - Class C	40.75	(0.34)
Basic and Diluted Earning Per Share (INR) - Ordinary	148.80	(1.24)
<b>Basic and Diluted Earnings Per Share (INR)</b>	<b>1,740.89</b>	<b>(14.48)</b>
<b>Face Value Per Share (INR)</b>	<b>10.00</b>	<b>10.00</b>

#### b) Diluted Earnings Per Share

The Optionally Convertible Debentures will be converted into equity shares on June 29, 2021 respectively or earlier based on the Fair value of the shares computed as on the date of conversion and other terms and 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. Accordingly diluted EPS is same as basic EPS.



# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

### 20 Financial instruments – Fair values and risk management

#### a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

March 31, 2020	Carrying amount			Fair value			
	Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>							
<b>Non-Current</b>							
Trade receivables	-	8,982.78	8,982.78	-	-	-	-
<b>Current</b>							
Trade receivables	-	24,377.91	24,377.91	-	-	-	-
Cash and cash equivalents	-	0.68	0.68	-	-	-	-
	-	<b>33,361.37</b>	<b>33,361.37</b>	-	-	-	-
<b>Financial Liabilities</b>							
<b>Current</b>							
Borrowings	-	22,549.64	22,549.64	-	-	-	-
Trade Payables	-	7.88	7.88	-	-	-	-
Other Current Financial Liabilities	-	-	-	-	-	-	-
	-	<b>22,557.52</b>	<b>22,557.52</b>	-	-	-	-

March 31, 2019	Carrying amount			Fair value			
	Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>							
<b>Current</b>							
Cash and cash equivalents	-	2.04	2.04	-	-	-	-
Loans	-	12,814.48	12,814.48	-	-	-	-
Other Current Financial Assets	-	3,090.84	3,090.84	-	-	-	-
	-	<b>15,907.36</b>	<b>15,907.36</b>	-	-	-	-
<b>Financial Liabilities</b>							
<b>Current</b>							
Borrowings	-	28,325.03	28,325.03	-	-	-	-
Trade Payables	-	33.16	33.16	-	-	-	-
Other Current Financial Liabilities	-	-	-	-	-	-	-
	-	<b>28,358.19</b>	<b>28,358.19</b>	-	-	-	-

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

### **b) Measurement of Fair Value**

- (i) The Company uses the Discounted Cash Flow valuation technique (in relation to borrowings measured at amortised cost and fair value through profit or loss) which involves determination of present value of expected receipt/ payment discounted using appropriate discounting rates. The fair value so determined are classified as Level 2.
- (ii) The Company uses the discounted cash flow valuation technique (in relation to financial liabilities measured at amortised cost) which involves determination of the present value of expected payments, discounted using bank rate.

### **c) Risk Management Framework**

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

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

### **d) Financial risk management**

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

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

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2020

(Currency in INR Lakhs)

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

#### **d) Financial risk management (*Continued*)**

##### **(i) Credit risk**

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

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

##### **Trade Receivables**

Customer credit risk is managed by establishing specific payment period for its customer, therefore substantially eliminating the Company's credit risk in this respect..

As per simplified approach, the Company makes provision of expected credit losses on trade receivables to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

There is no impairment in respect of trade receivables during the year.

##### **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, 2020

(Currency in INR Lakhs)

**20 Financial instruments – Fair values and risk management (Continued)**

**d) Financial risk management (Continued)**

**(ii) Liquidity risk**

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

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

Optionally Convertible Debentures (OCDs), if not converted into Equity Share, shall be redeemed at par on such date as the debenture holder may decide or June 29, 2021, whichever is earlier.

The Company does not have any derivative financial liabilities. The Company however invests its surplus funds in bank fixed deposits.

**Exposure to liquidity risk**

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

March 31, 2020	Carrying Amount	Total	Contractual cash flows			
			Within 12 months	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
<b>Current</b>						
Borrowings	22,549.64	22,549.64	22,549.64	-	-	-
Trade Payables	7.88	7.88	7.88	-	-	-

  

March 31, 2019	Carrying Amount	Total	Contractual cash flows			
			Within 12 months	1-2 years	2-5 years	More than 5 years
<b>Financial Liabilities</b>						
<b>Current</b>						
Borrowings	28,325.03	28,325.03	28,325.03	-	-	-
Trade Payables	33.16	33.16	33.16	-	-	-

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

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

#### d) Financial risk management (Continued)

##### (iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

##### a) Currency Risk

Currency risk is not material, as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

##### b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

### 21 Capital Management

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

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

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

Particulars	March 31, 2020	March 31, 2019
Net debt	22,548.96	28,322.99
Total equity	8,526.25	606.12
<b>Net debt to Equity ratio</b>	<b>2.64</b>	<b>46.73</b>

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

(Currency in INR Lakhs)

### 22 Related Party Disclosure

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

#### I. Relationships:

##### i. Co - Venturers:

1. Shubh Properties Coöperatief U.A (COOP)
2. Mr. Gagan Chopra (Partner) C/o. Heritage Investments
3. M/s Godrej Properties Limited (GPL)

##### ii. Other related parties in Godrej Group:

1. M/s Godrej Vestamark LLP

##### iii. Key Management Personnel:

1. Mr. Gaurav Pandey - Director
2. Mrs. Geetika Trehan - Director
3. Mr. Keki M. Elavia - Director (resigned w.e.f. 4 April 2019)

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

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

Particulars	Shubh Properties Coöperatief U.A (COOP)	M/s Godrej Properties Limited (GPL)	Mr. Gagan Chopra (Partner) C/o. Heritage Investments	M/s Godrej Vestamark LLP	Key Management Personnel	Total
<b>Transactions during the Year</b>						
Conversion of CCD's to OCD's						
Current Year	-	687.22	-	-	-	687.22
Previous Year	-	14,351.16	-	-	-	14,351.16
Sale of real estate developments						
Current Year	-	-	-	37,000.00	-	37,000.00
Previous Year	-	-	-	-	-	-
Interest on Debenture						
Current Year	-	1,745.58	-	-	-	1,745.58
Previous Year	1,705.85	796.00	60.37	-	-	2,562.22
Debenture Interest Repaid						
Current Year	-	-	-	-	-	-
Previous Year	7,837.48	2,776.47	283.18	-	-	10,897.13
Sitting Fees						
Current Year	-	-	-	-	0.50	0.50
Previous Year	-	-	-	-	1.50	1.50
Interest Expense						
Current Year	-	350.50	-	-	-	350.50
Previous Year	-	24.42	-	-	-	24.42
Borrowings Taken						
Current Year	-	636.17	-	-	-	636.17
Previous Year	-	11,434.55	-	-	-	11,434.55
Borrowings repaid						
Current Year	-	8,276.05	-	-	-	8,276.05
Previous Year	-	61.48	-	-	-	61.48
<b>Balance Outstanding as on March 31, 2020</b>						
Amount Receivable						
As at March 31, 2020	-	-	-	36,630.00	-	36,630.00
As at March 31, 2019	-	-	-	-	-	-
Borrowings Payable						
As at March 31, 2020	-	4,048.57	-	-	-	4,048.57
As at March 31, 2019	-	11,394.98	-	-	-	11,394.98
Debenture Outstanding						
As at March 31, 2020	-	15,038.38	-	-	-	15,038.38
As at March 31, 2019	687.22	14,351.16	-	-	-	15,038.38
Debenture Interest Outstanding						
As at March 31, 2020	-	3,462.69	-	-	-	3,462.69
As at March 31, 2019	-	1,891.68	-	-	-	1,891.68

## Wonder Space Properties Private Limited

### Notes Forming Part of Financial Statements (Continued)

for the year ended March 31, 2020

#### 23 Contingent Liabilities and Commitments

Particulars	March 31, 2020	March 31, 2019
<b>a) Contingent Liabilities:</b>		
<b>I) Claims against the Company not acknowledged as debts</b>	<b>Nil</b>	Nil
<b>II) Guarantees:</b>	<b>Nil</b>	Nil
<b>III) Other Money for which Company is contingently liable</b>	<b>Nil</b>	Nil
<b>b) Commitments</b>	<b>Nil</b>	Nil

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

Particulars	March 31, 2020	March 31, 2019
Statutory Audit Fees	2.75	2.00
Reimbursement of Expenses	0.16	0.16
<b>Total</b>	<b>2.91</b>	2.16

The payment to auditors' exclude GST of Rs 0.52 (Previous year: Rs Nil).

#### 25 Micro, Small and Medium enterprises :

Particulars	March 31, 2020	March 31, 2019
(a) The principal amount remaining unpaid to any supplier as at the end of the accounting year;	Nil	Nil
(b) The interest due thereon remaining unpaid to any supplier as at the end of the accounting year;	Nil	Nil
(c) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(d) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);	Nil	Nil
(e) The amount of interest accrued and remaining unpaid at the end of accounting year	Nil	Nil
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

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 during the years ended and as at March 31, 2020 and March 31, 2019 to Micro, Small and Medium Enterprises on account of principal or interest.

# Wonder Space Properties Private Limited

## Notes Forming Part of Financial Statements (*Continued*)

for the year ended March 31, 2020

### 26 Segment Reporting

#### A. Basis of Segmentation

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

For management purposes, the Company has only one reportable segment namely, Development of real estate property. The Board of Directors of the Company acts 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. Geographical Information

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

### 27 Scheme of Arrangements

#### Merger of Wonder Space Properties Private Limited, wholly owned subsidiary of Godrej Properties Limited

The Board of Directors of the Company at its meeting held on August 8, 2019, approved the merger of Wonder Space Properties Private Limited ('WSPPL' or 'the Transferor Company'), with its holding company namely Godrej Properties Limited ('GPL' or 'the Transferee Company') and their respective Shareholders, under the provisions of Sections 230 to 232 of the Companies Act, 2013; with effect from April 05, 2019, ("the Appointed Date") subject to obtaining necessary approvals of National Company Law Tribunal (NCLT) at Mumbai.

28 The Company has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Receivables, Inventories, Investments and other assets / liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information. As on current date, the Company has concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any.

29 The disclosure regarding details of specified bank note held and transacted during 8 November 2016 to 30 December 2016 have not made since the requirement does not pertain to financial year ended March 31, 2020.

#### 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

CIN: U70102MH2013PTC242495

#### MANSI PARDIWALLA

Partner

Membership No: 108511

Mumbai

May 08, 2020

#### GAURAV PANDEY

Director

DIN: 07229661

Gurugram

May 08, 2020

#### GEEFIKA TREHAN

Director

DIN: 08309875

Delhi

May 08, 2020