WELLNESS SPACE DEVELOPERS LIMITED

ANNUAL REPORT

2020-21

WELLNESS SPACE DEVELOPERS LIMITED

Annual Report for the year ended on 31 March 2021

BOARD OF DIRECTORS

Mr. Vinesh Kumar Jairath	(DIN 00391684)	Managing Director
Ms. Gauri Kirloskar	(DIN 03366274)	Director
Mr. Tejas Deshpande	(DIN 01942507)	Director
Mr. Satish Jamdar	(DIN 00036653)	Director
Ms. Swati Salgaocar	(DIN 07092728)	Additional Independent Director

STATUTORY AUDITORS
G. D. Apte & Co., Chartered Accountants

BANKERS
HDFC Bank Limited, ICICI Bank Limited and DBS Bank Limited

REGISTERED OFFICE
Office No. 801, 8th Floor, Cello Platina,
Fergusson College Road, Shivajinagar, Pune - 411 005
Tel.: +91 (20) 2970 4374
E mail: wsdpl.pune@gmail.com
CIN: U45202PN2020PLC192070

INFORMATION FOR SHAREHOLDERS

Annual General Meeting

Day & Date : Wednesday, 26 May 2021

Time : 11.00 a.m.

Venue : Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) pursuant to the Ministry of Corporate Affairs (MCA) General Circular No. 14/2020 dated 8 April 2020; the General Circular No. 17/2020 dated 13 April 2020; the General Circular No. 20/2020 dated 5 May 2020 and the General Circular No. 02/2021 dated 13 January 2021

WELLNESS SPACE DEVELOPERS LIMITED

NOTICE

Notice is hereby given that the 1st Annual General Meeting ('AGM') of the Members of Wellness Space Developers Limited ('the Company') will be held on Wednesday, 26 May 2021 at 11.00 a.m. (IST) through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM') facility, in compliance of provisions of the Companies Act, 2013, ('the Act') and Rules made thereunder read with the General Circular No. 14/2020 dated 8 April 2020; the General Circular No. 17/2020 dated 13 April 2020; the General Circular No. 20/2020 dated 5 May 2020 and the General Circular No. 02/2021 dated 13 January 2021, issued by the Ministry of Corporate Affairs (hereinafter referred to as 'MCA Circulars') to transact the following businesses as mentioned below:

ORDINARY BUSINESS:

ITEM NO. 1:

To receive, consider and adopt the 1st Audited Financial Statements of the Company for the period ended 31 March 2021 and the Reports of the Board of Directors and Auditors thereon.

ITEM NO. 2:

To appoint a Director in place of Ms. Gauri Kirloskar (holding DIN 03366274), who retires by rotation and being eligible, offers herself for re-appointment.

ITEM NO. 3:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members be and is hereby accorded for the appointment of G. D. Apte & Co., Chartered Accountants, (Firm Registration Number 100515W), as the Statutory Auditors of the Company for the first term of five years to hold office from the conclusion of this Annual General Meeting until the conclusion of the 5th Annual General Meeting of the Company, to be held in the year 2026.

RESOLVED FURTHER THAT approval be and is hereby accorded for payment of statutory audit fees of ₹ 12 Lakhs (Rupees Twelve lakhs only) plus reimbursement of out-of-pocket expenses and applicable taxes to G. D. Apte & Co., Chartered Accountants, for the Financial Year 2021-22 and the Board of Directors of the Company be and are hereby authorised to increase and pay such statutory audit fees as they may deem fit for the remaining tenure of their appointment."

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SPECIAL BUSINESS:

ITEM NO. 4:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Swati Salgaocar (holding DIN 03500612), who was appointed as an Additional Independent Director of the Company by the Board of Directors as per Section 161(1) of the Companies Act, 2013 and who holds office up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company under the category of an Independent Director, whose office is liable to retire by rotation.”

ITEM NO. 5:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** subject to the approval of the members of the Company and further to the approval by the members for the appointment of Mr. Vinesh Kumar Jairath, Managing Director of the Company, at the Company’s Extra-Ordinary General Meeting held on 19 December 2020, pursuant to the provisions of Sections 197, 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 (‘Act’) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Board of Directors be and is hereby accorded for the addition of the following term to the existing terms and conditions of the remuneration of Mr. Vinesh Kumar Jairath, Managing Director, as set out in the Amendment Agreement to be entered into between the Company and Mr. Vinesh Kumar Jairath, Managing Director of the Company:

AA. remuneration by way of variable incentive as may be decided by the Board based on performance evaluation carried out by the Board with effect from 1 April 2021;

RESOLVED FURTHER THAT all other terms and conditions of his appointment as approved by the members of the Company in their meeting held on 19 December 2020, on the approval of the Board, shall remain the same.

RESOLVED FURTHER THAT in the event in any financial year during the tenure of the appointment of the Managing Director, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay the remuneration to the Managing Director, as approved by the

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members of the Company in their meeting held on 19 December 2020 and as amended from time to time.

RESOLVED FURTHER THAT Ms. Gauri Kirloskar and Mr. Tejas Deshpande, Directors of the Company, be and are hereby severally authorised to do all such acts, deeds and things which are necessary for the purpose of giving effect to this Resolution."

ITEM NO. 6:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 61 read with Section 64 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, (including any statutory amendment, modification(s) or re-enactment thereof for the time being in force), the consent of the members be and is hereby accorded to increase the Authorised Share Capital of the Company from existing ₹ 5,00,000 (Rupees Five Lakhs only) divided into 50,000 (Fifty Thousand) equity shares of ₹ 10/- each to ₹ 10,00,00,000 (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore) equity shares of ₹ 10/- each by creation of additional 99,50,000 (Ninety Nine Lakhs Fifty Thousand) equity shares of ₹ 10/- each ranking pari passu in all respect with the existing equity shares of the Company.

RESOLVED FURTHER THAT Mr. Vinesh Kumar Jairath, Manging Director, Ms. Gauri Kirloskar and Mr. Tejas Deshpande, Directors of the Company, be and are hereby severally authorised to file, sign, verify and execute all such e-forms, papers or documents, as may be required and to do all such acts, deeds, matters and things as may be necessary and incidental for giving effect to this Resolution."

ITEM NO. 7:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 13, 61 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder, (including any statutory amendment, modification(s) or re-enactment thereof for the time being in force), the consent of the members of the Company be and is hereby accorded for substituting Clause 5th of the Memorandum of Association of the Company with the following clause:

5th The Authorised Share Capital of the Company is ₹ 10,00,00,000 (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore) equity shares of ₹ 10/- each.

RESOLVED FURTHER THAT Mr. Vinesh Kumar Jairath, Manging Director, Ms. Gauri Kirloskar and Mr. Tejas Deshpande, Directors of the Company, be and are hereby severally authorised to file, sign, verify and execute all such e-forms, papers or documents, as may be

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required and to do all such acts, deeds, matters and things as may be necessary and incidental for giving effect to this Resolution."

ITEM NO. 8:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013, (the Act) and Rules made thereunder (including any statutory amendment, modification(s) or re-enactment thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to authorise the Board to invite, issue and offer Unsecured Optionally Convertible Debentures (OCDs), carrying interest at 0%, aggregating up to ₹ 60,00,00,000/- (Rupees Sixty Crores Only) divided into 6,00,00,000 OCDs of ₹ 10 each through private placement to Kirloskar Industries Limited, a holding company of the Company from whom the Real Estate Business Undertaking at Kothrud is purchased by the Company, for consideration other than cash, on the following terms and conditions:

a. The OCDs shall be unsecured;
b. The OCDs shall have tenure of not more than 120 months;
c. The OCDs shall carry nil interest;
d. The OCDs shall be convertible into equity shares at the option of the Company / redeemable as follows:

    i. The OCDs shall be convertible into equity shares at the option of the Company / redeemable not later than 120 months.

    ii. The OCDs by themselves do not give to the holder thereof any rights of a member of the Company;

    iii. The number of equity shares that each OCD converts into and the price per equity share upon conversion of each OCD shall be as per the valuation arrived at the time of conversion.

    iv. The new equity shares issued on conversion of the OCDs shall be in physical form and in compliance with the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects with the existing issued and subscribed equity shares of the Company.

RESOLVED FURTHER THAT Mr. Vinesh Kumar Jairath, Managing Director and Ms. Gauri Kirloskar, Director of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, desirable and expedient for such purpose, including without limitation, to issue and offer the OCDs and allot equity shares upon conversion of the OCDs, if required, issuing certificates / clarifications, effecting any

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modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for this issuance), in connection therewith and incidental thereto as the Board in its absolute discretion deem fit without being required to seek any fresh approval of the members of the Company and to settle any questions, difficulties or doubts that may arise in regard to the invite, issue and offer of the OCDs and equity shares (upon conversion of the OCDs) and utilisation of proceeds of the OCDs, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and that the decisions of the Board shall be final, binding and conclusive in all respects, to give effect to this resolution."

By Order of the Board of Directors

Sd/-
Vinesh Kumar Jairath
Managing Director
DIN: 00391684

Place: Pune
Date: 30 April 2021

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NOTES:

i. In view of the massive outbreak of the COVID-19 Pandemic, social distancing is a norm to be followed, the Ministry of Corporate Affairs as per General Circular 14/2020, Dated 8th April 2020, 17/2020 dated 13th April 2020, 20/2020 dated 5th May 2020 and 02/2021 dated 13th January 2021 allowed conduction Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM).

For detailed procedure for participating in the AGM through VC / OAVM please refer point no. 'viii'.

ii. Only a member of the Company will be entitled to attend and vote at the AGM which will be held through VC or OVAM and no member will be entitled to appoint a proxy to attend and vote instead of himself / herself.

iii. Representatives appointed on behalf of Companies, Societies etc. must be supported by appropriate resolution / authority, as applicable.

iv. An explanatory statement is been annexed to the Notice as required under Section 102 of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force).

v. Member's attendance in the meeting through VC or OVAM will be considered and taken on record.

vi. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

vii. All documents referred to in the Notice for inspection by the members are available for inspection in electronic form which will be made available to the members on request raised by them on the dedicated email id of the Company at wsdpl.pune@gmail.com.

viii. Instructions and procedure for joining the AGM through VC / OAVM.

The instructions for Participation in the meeting through VC or OAVM are as under:

How to participate in the meeting of the Company through VC or OAVM:

1. AGM invite will be sent through a separate email to the members of the Company, which consist of a link to join the meeting.

2. The facility to join the meeting will be available 15 minutes prior to the scheduled time of the meeting and will remain open for 15 minutes post scheduled time of the meeting.

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3. To join the meeting, click on the link given in the AGM Invite.

4. You are requested to do trail of operating microphone and camera before the meeting starts, in order to avoid disturbance while the meeting is being conducted.

5. You are requested to follow the instructions given before the meeting starts and during the meeting.

6. Members who need technical assistance before or during the meeting may contact the Company on the helpline at 9158632116.

By Order of the Board of Directors

Sd/-
Vinesh Kumar Jairath
Managing Director
DIN: 00391684

Date: 30 April 2021
Place: Pune

ANNEXURE TO THE NOTICE

STATEMENT ANNEXED TO THE NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required by Section 102 (1) of the Companies Act, 2013, (the Act), the following Statement set out all material facts relating to Item Nos. 2, 4, 5, 6, 7 and 8 in the accompanying Notice of the 1st Annual General Meeting of the Company to be held on Wednesday, 26 May 2021, at 11.00 a.m., through Video Conferencing (VC) or Other Audio-Visual Means (OAVM).

ITEM NO. 2 OF THE NOTICE: APPOINTMENT OF MS. GAURI KIRLOSKAR AS A DIRECTOR LIABLE TO RETIRE BY ROTATION

Ms. Gauri Kirloskar (holding DIN 03366274) retires by rotation and being eligible, offers herself for re-appointment.

Ms. Gauri Kirloskar (Aged 38 years) attended Carnegie Mellon's Tepper School of Business, where she received a BSc. in Business Administration with a concentration in Finance. Previously she attended Phillips Academy, Andover, near Boston. After graduation, Gauri worked as an investment banking analyst at Merrill Lynch in their Mergers and Acquisitions group where she analysed the impact of proposed mergers, acquisitions, spin-offs and various restructuring alternatives on earnings, credit profile and value creation of various clients across the technology, real estate and retail industries. She then moved on to Pearson's Corporate Finance and Strategy group where she looked at bolt on acquisitions for their education business.

Since moving back to India in 2010, Gauri has been focusing her efforts on strategic initiatives for the Kirloskar Group into infrastructure and investments as well as functioning as a director and observer at several Kirloskar Group companies. Her primary role is establishment of the Group's real estate business in Pune. This involves strategic alternatives analysis of value creation opportunities around the sale and development of the group's land banks. She has been involved in title clearance and land approvals, building up of the design brief and working closely with the IPCs. She is also strategically involved in the team hiring and overall business plan of Kirloskar Capital Limited (now knows as Arka Fincap Limited), the Group's foray into the financial services business. She was an active participant in the process of filing for the RBI license for this business. She leads the Group's efforts on branding, corporate communications and shared services.

Ms. Gauri Kirloskar is also a Director in the following other companies:

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Name of the Company	Board position held	Committee membership
Kirloskar Oil Engines Limited	Director	-
The Bombay Burmah Trading Corporation Limited	Director	1. Audit Committee 2. Risk Management Committee
The Bombay Dyeing and Manufacturing Company Limited	Director	1. Audit Committee -
Arka Fincap Limited	Director	-
GreenTek Systems (India) Private Limited	Director	-
Kirloskar Integrated Technologies Private Limited	Director	-
Navsai Investments Private Limited	Director	-
Indo Global Hinjewadi Software Park Private Limited	Director	-
La-Gajjar Machineries Private Limited	Director	-

Ms. Gauri Kirloskar holds 1 (0.00%) Equity share of the Company as a nominee of Kirloskar Industries Limited jointly with Kirloskar Industries Limited.

Save and except Ms. Gauri Kirloskar and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 2 of the Notice for approval by the members.

ITEM NO. 4 OF THE NOTICE: APPOINTMENT OF MS. SWATI SALGAOCAR AS DIRECTOR UNDER THE CATEGORY OF INDEPENDENT DIRECTOR

Ms. Swati Salgaocar (holding DIN 03500612) was co-opted as an Additional Independent Director of the Company with effect from 8 March 2021.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, (the Act), an additional director shall hold office up to the date of the next annual general meeting and thereafter is to be appointed by the members in a general meeting.

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The Company has received notices in writing from a member under Section 160 of the Act, proposing candidature of Ms. Swati Salgaocar (holding DIN 03500612) for the office of Director of the Company. She is liable to retire by rotation.

She is not disqualified from being appointed as director in terms of Section 164 of the Companies Act, 2013, and Rules thereunder including amendments thereto and has given her consent to act as director.

Ms. Swati Salgaocar fulfils the conditions specified in the said Act and the Rules made thereunder and also possess appropriate balance of skills, experience and knowledge so as to enable the Board to discharge its functions and duties effectively and she is independent of the management. Her experience and expertise will be of immense benefit to the Company and it is desirable to avail services of Ms. Swati Salgaocar as a director in the category of an Independent Director of the Company.

Presently, provisions of Section 149 related to Independent Director are not applicable to the Company since the paid-up share capital of the Company is less than ₹ 10 Crores. Ms. Swati Salgaocar will be appointed as an Independent Director pursuant to the provisions of Section 149 of the Act, as and when the provisions will be applicable to the Company.

The Board considers that her experience and expertise would be of immense benefit to the Company and it is desirable to avail services of Ms. Swati Salgaocar as an Independent Director.

Ms. Swati Salgaocar (Aged 38 years) is a Director at the Vimson Group, founded over 70 years ago in Goa with business interests in mineral development (V.M. Salgaocar and Bro. Pvt. Ltd. - India and Singapore, and V.M. Salgaocar Sales International are in the business of mining, export and trading of iron ore), real estate (mixed-use real estate development in Goa under the brand name 'Altura Spaces'), and financial services (Shivranjani Securities Pvt. Ltd. is Goa's largest wealth management company and Pyramid Finance Ltd. finances small and medium enterprises). The Group has recently diversified internationally through strategic investments in the Minerals Sector and launched Prospect Mining Studio (Accelerator to support sustainable mining start-ups in partnership with Newlab, USA). The philanthropic interests of the Group include sports (Salgaocar Football Club founded in 1956 has won several national championships, and its Youth Development and Community Outreach Programs benefit over 600 children a year) and healthcare (V.M. Salgaocar Hospital is a not-for-profit, 120 bed tertiary care, super specialty healthcare centre).

Ms. Swati holds a B.A. (Arch.) (Hons.) from Yale University, USA and an M.Arch. from Columbia University, USA. She is Vice Chairperson of the Goa State Council of the Confederation of Indian Industry, Co-Chair of the CII Start-ups and Innovation Committee (Western Region), a member of the CII National Committee on Mining and the CII National Start-ups Council. She has been appointed on a Special Task Force constituted by the Dept. of Industries, Govt. of Goa to review the Goa Investment Promotion Act as well as a Joint Consultative Group for framing of the Goa State Entrepreneurship Policy. She is a member of

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the Society and Campus Development Committee of the Goa Institute of Management. She has been the Co-Director of the Yale India Alumni Schools Committee for over 5 years. She is a member of the Young President's Organisation and the Owners Forum. Passionate about art and design, she co-curated "Panjim 175", a special project as part of the Serendipity Arts Festival 2018.

Ms. Swati Salgaocar is also a Director in the following other companies:

Name of the Company	Board position held	Committee membership
Sumedha Plantations Private Limited	Director	-
Salgaocar Minerals and Ores Private Limited	Director	-
Kushavati Mining Private Limited	Director	-
Pyramid Metallics Private Limited	Director	-
Rishikesh Real Estates Private Limited	Director	-
Ganapal Real Estates Private Limited	Director	-
Ganaraj Real Estates Private Limited	Director	-
Medini Real Estates Private Limited	Director	-
Dhanistha Real Estates Private Limited	Director	-
Sandstone Real Estates Private Limited	Director	-
Ganadev Real Estate Private Limited	Director	-
Achintya Real Estate Private Limited	Director	-
Amona Infrastructure Private Limited	Director	-

Ms. Swati Salgaocar is holding NIL (0.00%) equity shares of the Company.

The Board is of the opinion that Ms. Swati Salgaocar fulfils the conditions for her appointment as a Director under the category of an Independent Director and also possesses appropriate balance of skills, experience and knowledge so as to enable the Board to discharge its functions and duties effectively and she is independent of the management.

Keeping in view her vast expertise and knowledge, it will be in the interest of the Company that she is appointed as a Director under the category of an Independent Director.

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Copy of the draft letter for appointment of Ms. Swati Salgaocar as an Independent Director setting out the terms and conditions is available for inspection.

Save and except Ms. Swati Salgaocar and her relatives, to the extent of their shareholding interest, if any, in the Company, none of other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution.

The Board recommends the Ordinary Resolution as set out at Item No. 4 of the Notice for approval by the members.

ITEM NO. 5 OF THE NOTICE: REVISION IN MANAGERIAL REMUNERATION OF MR. VINESH KUMAR JAIRATH, MANAGING DIRECTOR

The members of the Company in their meeting held on 19 December 2020, approved the of Mr. Vinesh Kumar Jairath as the Managing Director of the Company by special resolution.

In terms of the amended provisions of Section 197(3) of the Companies Act, 2013, (the Act), read with Schedule V to the Act, if in any financial year, a company has no profits or its profits are inadequate, the company may pay to its directors, including any managing or whole-time director or manager, by way of remuneration, any sum in excess of the limits specified in Part A of Section II of Part II of Schedule V, provided that the same has been approved by the members of the Company by way of Special Resolution.

Pursuant to the aforesaid provisions, the members of the Company approved the remuneration payable to Mr. Vinesh Kumar Jairath, Managing Director of the Company for a period of 3 years with effect from 1 January 2021, by special resolution.

MCA has notified the maximum remuneration payable by companies having no profit or inadequate profit to the managerial person or other director (non-executive director or an independent director) by amending Schedule V of the Act vide its Notification dated 18 March 2021. The Company may pay to its directors, including any managing or whole-time director or manager, by way of remuneration, any sum in excess of the limits specified in the Schedule V, provided the same has been approved by the members of the Company by way of special resolution.

The Board of Directors in its meeting held on 30 April 2021, has approved the revision by the addition of the following term to the existing terms and conditions of the remuneration of Mr. Vinesh Kumar Jairath, Managing Director of the Company:

"AA. remuneration by way of variable incentive as may be decided by the Board based on the performance evaluation carried out by the Board with effect from 1 April 2021";

Further in the event in any financial year during the tenure of the Managing Director, the Company does not earn any profits or earns inadequate profits as contemplated under the

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provisions of Schedule V to the Companies Act, 2013, the Company may pay the remuneration to the Managing Director, as approved by the members of the Company in their meeting held on 19 December 2020 and as amended from time to time.

Save and except Mr. Vinesh Kumar Jairath and his relatives, to the extent of their shareholding interest, if any, in the Company, none of other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution.

The Board recommends the Special Resolution as set out at Item No. 5 of the Notice for approval by the members.

ITEM NO. 6 OF THE NOTICE: INCREASE IN AUTHORISED SHARE CAPITAL

The Company is formed with an Authorised Share Capital of ₹ 5,00,000 (Rupees five lakhs only) comprising of 50,000 equity of ₹ 10 each. The Company has embarked on the business of Real Estate Activities and in view thereof the Company is in need of funds to meet its current business obligations.

In order to expand the capital base, the Board of Directors of the Company in its meeting held on 30 April 2021, approved the increase in the Authorised Share Capital of the Company from the existing ₹ 5,00,000 (comprising of 50,000 equity of ₹ 10 each) to ₹ 10,00,00,000 (comprising of 1,00,00,000 equity shares of ₹ 10 each) and seeks the approval of the members for the same.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution.

The Board recommends an Ordinary Resolution as set out at Item No. 6 of the Notice for approval by the members.

ITEM NO. 7 OF THE NOTICE: ALTERATION OF THE MEMORANDUM OF ASSOCAITION

In order to reflect the increase in the Authorised Share Capital of the Company, and in order to conform to the requirements of the Companies Act, 2013, Clause 5th of the Memorandum of Association of the Company is required to be amended.

Pursuant to the provisions of Section 13 of the Companies Act, 2013, (the Act), the alteration of the Memorandum of Association of Company requires the approval of the members and accordingly the Board now seeks the approval of the members for the same.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution.

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* Phone: +91-(0)20 - 2970 4374 * Telefax: +91-(0)20 – 2970 4374 * Email: wsdpl.pune@gmail.com
CIN: U45202PN2020PLC192070

The Board recommends a Special Resolution as set out at Item No. 7 of the Notice for approval by the members.

ITEM NO. 8 OF THE NOTICE: ISSUE OF UNSECURED OPTIONALLY CONVERTIBLE DEBENTURES

Kirloskar Industries Limited, (KIL), a Holding Company of the Company transferred its 'Real Estate Business Undertaking at Kothrud', as a going concern basis by way of a 'Slump Sale' to the Company, for a lump sum consideration of ₹ 75 crores, by executing the Business Transfer Agreement ("BTA") dated 19 December 2020 between the Company and KIL.

Pursuant Clause 3.1.1 of the BTA, in consideration for the transfer of the Real Estate Business Undertaking at Kothrud by the Transferor (KIL) to the Transferee (the Company) on a going concern basis by way of slump sale, the Transferee agrees to pay the Transferor, the Purchase Consideration in cash and/or the Transferee shall issue requisite instruments and the nature and terms of such instruments shall be mutually agreed upon by the Board of Directors of the Transferor and the Transferee.

The Board of Directors of the Company was exploring various options for repayment of its liability against acquisition of 'Real Estate Undertaking at Kothrud' of KIL.

In view of the above, the Board of Directors in its meeting held on 30 April 2021, approved to issue 6,00,00,000 Optionally Convertible Debentures (OCDs) of ₹ 10 each amounting to ₹ 60,00,00,000, for the consideration other than cash, on the terms and conditions as mentioned in the resolution.

Pursuant to Rule 14(1) of the Companies (Prospectus and Allotment Rules) Rules, 2014, the following disclosures are being made by the Company to the members:

Sr. No.	Particulars	Details
1	**Particulars of the offer including date of passing Board Resolution**	Unsecured Optionally Convertible Debentures carrying NIL interest rate for an amount of ₹ 60,00,00,000 (Rupees Sixty Crores only) on a private placement basis and on such terms and conditions set out in the resolution. Date of passing of Board Resolution: 30 April 2021
2	**Kinds of securities offered and the price at which security is being offered**	Unsecured Optionally Convertible Debentures (OCDs) The OCDs will be offered / issued at par for consideration other than cash.
3	**Basis or justification for the price (including premium, if any) at which the offer or invitation is being made;**	As per the valuation report of M/s. Haresh Upendra & Co., Chartered Accountants

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4	**Name and address of valuer who performed valuation**	M/s. Haresh Upendra & Co. Chartered Accountants Flat No.1, Plot No.27, Matruchaya Building, Mitramandal Colony, Parvati, Pune -411 009
5	**Amount which the company intends to raise by way of such securities;**	Not applicable
6	**Material terms of raising such securities**	a. The OCDs shall be unsecured; b. The OCDs shall have tenure of not more than 120 months; c. The OCDs shall carry nil interest; d. The OCDs shall be convertible into Equity shares at the option of the Company / redeemable as follows: I. The OCDs shall be convertible into equity shares at the option of the Company / redeemable not later than 120 months. II. The OCDs by themselves do not give to the holder thereof any rights of a member of the Company; III. The number of equity shares that each OCD converts into and the price per equity share upon conversion of each OCD shall be as per the valuation arrived at the time of conversion. IV. The new equity shares issued on conversion of the OCDs shall be in physical form and in compliance with the Memorandum and Articles of Association of the Company and shall rank *pari-passu* in all respects with the existing issued and subscribed equity shares of the Company.
	Proposed time schedule	FY 2021-2022
	Purpose or object of offer	Kirloskar Industries Limited, (KIL), a Holding Company of the Company transferred its 'Real Estate Business Undertaking at Kothrud', as a going concern basis by way of a 'Slump Sale' to the Company, for a lump sum consideration of ₹ 75 crores, by executing the Business Transfer Agreement **("BTA")** dated 19 December 2020, between the Company and KIL. Pursuant Clause 3.1.1 of the BTA, in consideration for the transfer of the Real Estate Business Undertaking at Kothrud by the Transferor (KIL) to the Transferee (the Company) on a going concern basis by way of slump

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		sale, the Transferee agrees to pay the Transferor, the Purchase Consideration in cash and/or the Transferee shall issue requisite instruments and the nature and terms of such instruments shall be mutually agreed upon by the Board of Directors of the Transferor and the Transferee. In view of the above, the Board of Directors in its meeting held on 30 April 2021, approved to issue 6,00,00,000 Unsecured Optionally Convertible Debentures of ₹ 10 each amounting to ₹ 60,00,00,000.
	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects	6,00,00,000 Unsecured Optionally Convertible Debentures of ₹ 10 each amounting to ₹ 60,00,00,000 will be offered and issued to KIL for consideration other than cash.
	Principle terms of assets charged as securities	Not applicable

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise in the said Resolution except their Directorship and shareholding in Kirloskar Industries Limited, a holding company of the Company.

The Board recommends the Special Resolution as set out at Item No. 8 of the Notice for approval by the members.

By Order of the Board of Directors

Sd/-
Vinesh Kumar Jairath
Managing Director
DIN: 00391684

Place: Pune
Date: 30 April 2021

WELLNESS SPACE DEVELOPERS LIMITED

Board's Report for Financial Year 2020-2021

To the Members,

Your Directors have pleasure in presenting the 1st Annual Report with the Audited Annual Accounts of the Company for the period ended 31 March 2021.

1. **FINANCIAL PERFORMANCE:**

(₹ in lakhs)

Particulars	2020-2021
Total Income	20
Total Expenditure	124
Net Profit / (Loss) for the year before extraordinary items and taxation	(104)
Less: Provision for tax (Income Tax)	6
Profit / (Loss) after tax	(98)
Add: Excess / (Short) Provision for taxation	-
Less: Previous Year Adjustment	-
Profit / (Loss) for the period	(98)
Add: Balance of Profit / (Loss) brought forward from previous year	-
Less: Other Comprehensive Income	(4)
Balance available for appropriation	(102)
Appropriations	-
Balance carried to Balance Sheet	(102)

2. **DIVIDEND:**

The period under review is the first year of operations of the Company. Since, the Company is in initial stage of operations and there are no profits, the Board of Directors does not recommend dividend.

3. **OPERATIONS:**

The Company was incorporated on 17 July 2020.

Kirloskar Industries Limited (KIL) acquired 100% equity share capital of the Company held by Mr. Sanjiv Aurora and Mrs. Reena Aurora on 19 December 2020. Consequently, the Company became 100% subsidiary of KIL.

KIL transferred its 'Real Estate Business Undertaking at Kothrud' along with its employees, assets, liabilities pertaining thereto, all licenses, rights, regulatory approvals, permits and contracts, in relation to 'Real Estate Business Undertaking at Kothrud', on a going concern basis by way of a 'Slump Sale' to the Company, for a lump sum consideration of ₹ 75 crores by executing the Business Transfer Agreement **("BTA")** dated 19 December 2020, by and between the Company and KIL. The consideration includes value of movable and immovable assets being transferred and other non-financial assets and liabilities in the form of real estate project under development.

During the period under review, your Company was converted into a public limited company with effect from 17 March 2021.

The Company has taken various measures for the development of the land parcels at Kothrud.

The Company has spent ₹ 907 lakhs on real estate activities from the date of business transfer till 31 March 2021.

4. COMPANY PERFORMANCE:

During the period under review, your Company incurred a loss of ₹ 98 lakhs. The profit before tax is ₹ 104 lakhs after providing for depreciation of ₹ 23 lakhs.

IMPACT ON THE PERFORMANCE OF THE COMPANY DUE TO OUTBREAK OF COVID-19:

Prior to transfer of the 'Real Estate Business Undertaking at Kothrud' in December 2020 from Kirloskar Industries Limited (KIL) to the Company, there was an impact on the operations on account of outbreak of COVID -19, lockdown, restrictions imposed by the Governments authorities, non-availability of labour, delay in approvals from Government Authorities etc.

Subsequent to the business transfer, the momentum of work speeded up with the lessening of the COVID-19 impact, removal of various restrictions and approvals received from Government Authorities. The Company achieved progress in design and project execution though the time lines, were impacted.

The management of the Company continues to periodically assesses the impact of the pandemic on the business while abiding by the rules and regulations enforced by the Regulatory Authorities.

5. PERFORMANCE OF SUBSIDIARIES, ASSOCIATE AND JOINT VENTURES:

Your Company does not have any Subsidiaries or Associate or Joint Venture.

6. HUMAN RESOURCES:

As on 31 March 2021, the Company has 12 employees on its roll, including the Managing Director. Mr. Vinesh Kumar Jairath appointed as the Managing Director with effect from 1 January 2021.

7. STATUTORY AUDITORS:

During the period under review, Marda & Associates, Chartered Accountants, Pune (Firm Registration Number 106055W), tendered their resignation from the position of first Statutory Auditors of the Company, on account of pre-occupation, with effect from

15 December 2020, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by Section 139(8) of the Companies Act, 2013, (the Act).

The Board of Directors of the Company in its meeting held on 19 December 2020, approved the appointment of G. D. Apte & Co., Chartered Accountants, Pune, (Firm Registration No. 100515W) as the Statutory Auditors of the Company to fill the casual vacancy caused due to resignation of Marda & Associates, Chartered Accountants, Pune, (Firm Registration No. 106055W).

Further, the members of the Company in their Extra-Ordinary General Meeting held on 27 January 2021, approved the appointment of G. D. Apte & Co., Chartered Accountants, Pune, (Firm Registration No. 100515W) as the Statutory Auditors of the Company till the conclusion of the ensuing Annual General Meeting of the Company.

The Board has recommended for the approval of the members, the appointment of G. D. Apte & Co., Chartered Accountants, Pune, (Firm Registration No. 100515W), as the Statutory Auditors of the Company for a period of 5 years from the conclusion of the ensuing 1st Annual General Meeting of the Company till the conclusion of 6th Annual General Meeting of the Company.

The Company has received a certificate from the Statutory Auditors to the effect that they are fulfilling requirements prescribed under the provisions of Section 141 of the Act.
The necessary resolution seeking your approval to the appointment and remuneration of G. D. Apte & Co., as the Statutory Auditors of the Company is appearing in the Notice convening the 1st AGM of the Company.

8. PARTICULARS OF INFORMATION FORMING PART OF THE BOARD'S REPORT PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2013, RULE 8 OF THE COMPANIES (ACCOUNTS) RULES 2014 AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

I. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9, is annexed herewith as **'Annexure I'** to this Report.

II. NUMBER OF MEETINGS OF THE BOARD:

During the period under review, 8 (Eight) Board Meetings were convened and held on 29 July 2020, 10 August 2020, 14 August 2020, 25 November 2020, 15 December 2020, 19 December 2020, 22 January 2021 and 25 March 2021. The intervening gap between the Meetings was within the period prescribed under the Act.

III. DIRECTOR'S RESONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(5) of the Act, in respect of Director's Responsibility Statement, your Directors state that:

a) in the preparation of the Annual Financial Statements for the year ended 31 March 2021, the applicable accounting standards have been followed and there were no material departures;

b) accounting policies as mentioned in Note No. 4 of the Notes forming part of the Financial Statements have been selected and applied consistently. Further, judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2021 and of the Loss of the Company for the year ended on that date;

c) proper and sufficient care has been taken for the 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 fraud and other irregularities;

d) the Annual Financial Statements have been prepared on a going concern basis;

e) proper internal financial controls were in place and that the internal financial controls were adequate and were operating effectively; and

f) proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

IV. COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT AND REMUNERATION:

Not applicable.

V. MAINTENANCE OF COST RECORDS

Not applicable.

VI. EXPLANATION OR COMMENTS OF STATUTORY AUDITORS AND SECRETARIAL AUDITORS: (Sec. 134(3)(f))

i. Statutory Auditors:

There are no qualifications, reservation or adverse remarks or disclaimers made by G. D. Apte & Co., Statutory Auditors in their Audit Report for the year ended 31 March 2021.

The notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore no further clarifications are required.

ii. Secretarial Audit: Not Applicable.

VII. FRAUDS REPORTED BY THE AUDITOR:

There are no frauds reported by the Statutory Auditors of the Company under Sub-section (12) of Section 143 of the Act.

VIII. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

During the period under review, your Company has not granted any loan or guarantee or made any investments during the year.

IX. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013:

Pursuant to the provisions of Section 134 of the Act, read with Rule 8(2) of the Companies (Accounts) Rules, 2013, the particulars of all contracts or arrangements entered into by the Company with related parties have been done at arm's length and are in the ordinary course of business. Hence, no particulars are being provided in Form AOC-2. Related party disclosures as per the Indian Accounting Standard 24 (Ind AS 24) have been provided in the Note No.31 to the Financial Statements.

X. STATE OF COMPANY'S AFFAIRS:

Discussion on the state of the Company's affairs has been covered in the paras of financial performance and operations of this Report.

XI. AMOUNTS PROPOSED TO BE CARRIED TO RESERVES:

Particulars of the amounts proposed to be carried to reserves have been covered as part of para 1 of this Report, on the financial performance of the Company.

XII. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BALANCE SHEET AND THE DATE OF REPORT:

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and date of this Report.

XIII. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

A. Conservation of Energy and Technology Absorption:

The Company has no particulars to report regarding conservation of energy, technology absorption as required under Section 134 (3) (m) of the Act, read with Rules made thereunder.

B. Foreign exchange earnings and Outgo:

(₹ in lakhs)

Sr. No.	Particulars	Amount in (₹)
i)	Foreign Exchange earned in terms of actual inflows during the year	Nil
ii)	Foreign Exchange outgo during the year in terms of actual outflows	Nil

XIV. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY:

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified are systematically addressed through risk mitigating actions on a continuing basis. These are discussed at the meetings of the Board of Directors of the Company from time to time.

XV. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

Not applicable.

XVI. BOARD EVALUATION:

Not applicable.

XVII. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the Financial Year under review, there has been no change in the nature of business.

XVIII. DETAILS OF APPOINTMENT AND RESIGNATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

I. Directors appointed / re-appointed during the year:

During the period under review, Mr. Vinesh Kumar Jairath (holding DIN 00391684), Ms. Gauri Kirloskar (holding DIN -3366274), Mr. Tejas Deshpande (holding DIN 01942507) and Mr. Satish Jamdar (holding DIN 00036653) were appointed as Directors of the Company with effect from 19 December 2020.

They have been nominated by KIL, Holding Company of the Company.

Mr. Vinesh Kumar Jairath (holding DIN 00391684) was further appointed as a Managing Director of the Company with effect from 1 January 2021.

Ms. Swati Salgaocar (holding DIN 03500612) was appointed as an Additional Independent Director of the Company with effect from 8 March 2021.

II. Directors and Key Management Personnel resigned during the year 2020-2021:

During the period under review, Mr. Sanjiv Aurora and Mrs. Reena Aurora resigned from the Directorship of the Company from the closing hours of 22 December 2020.

XIX. DIRECTORS PROPOSED TO BE APPOINTED / RE-APPOINTED AT THE ENSUING ANNUAL GENERAL MEETING:

Ms. Gauri Kirloskar who retires by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment.

The Company has also received the requisite disclosures / declarations from Ms. Gauri Kirloskar.

In accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company, the Board of Directors of the Company co-opted Ms. Swati Salgaocar as an Additional Independent Director of the Company with effect from 8 March 2021. In the opinion of the Board of Directors, Ms. Swat Salgaocar fulfills the conditions specified in the Act and Rules made thereunder and also possesses the requisite expertise and experience and is a person of high integrity and repute so as to enable the Board to discharge its functions and duties effectively and she is independent of the management.

She holds office up to the date of the ensuing Annual General Meeting of the Company. The Company has received requisite notices under Section 160 of the

Companies Act, 2013, in writing from a member signifying their intention to propose Ms. Swati Salgaocar as candidates for the office of Directors at the ensuing Annual General Meeting.

The Company has also received the requisite disclosures / declarations from Ms. Swati Salgaocar under the applicable provisions of the Act.

The brief resumes and other details relating to the Directors who are proposed to be appointed / re-appointed, form part of the Statement setting out material facts annexed to the Notice of the Annual General Meeting.

The resolutions seeking approval of members for the appointment and re-appointment of these Directors have been incorporated in the Notice of the forthcoming Annual General Meeting of the Company.

XX. NAME OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

None

XXI. DETAILS RELATING TO DEPOSIT COVERED UNDER CHAPTER V OF THE COMPANIES ACT, 2013:

None

XXII. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

To the best of our knowledge, the Company has not received any such orders from Regulators, Courts or Tribunals during the year, which may impact the going concern status or the Company's operation in future.

XXIII. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has developed a strong two-tier internal control framework comprising entity level controls and process level controls. The entity level controls of the Company include elements such as rigorous management review and Management Information System (MIS) and strong internal audit mechanism. The process level controls have been ensured by implementing appropriate checks and balances to ensure adherence to Company policies and procedures, efficiency in operations and also reduce the risk of frauds.

During the period under review, the Company has adopted Standard Operating Procedures (SOPs) and Chart of Authority (COA) for ensuring internal controls and reporting mechanism with respect to the business of the Company. These SOPs have been put in place in order to ensure a robust internal control mechanism.

Regular management oversight and rigorous periodic testing of internal controls makes the internal controls environment strong at the Company. The Board along with the management oversees results of the internal audit and reviews implementation on a regular basis.

XXIV. VIGIL MECHANISM / WHISTLE BLOWER POLICY (134)

Not applicable.

9. INFORMATION FORMING PART OF THE BOARD'S REPORT PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The particulars of top ten employees pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, form part of this Report. In terms of Section 136(1) of the Act and Rules made thereunder, the Board's Report is being sent to the members without this Annexure. The members interested in obtaining a copy of this Annexure may write to the Company at the Company's Registered Office.

10. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSL) ACT, 2013

During the period under review, the Company has complied with the provisions relating to the constitution of Internal Committee (the Committee) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Committee comprises four members including one external member.

The Company has in place a Policy for Prevention of Sexual Harassment at workplace. This would, inter alia, provide a mechanism for the resolution, settlements or prosecution of acts or instances of sexual harassment at workplace and to ensure that all employees are treated with respect and dignity.

There were no complaints / cases filed / pending with the Company during the period under review.

11. CASH FLOW:

A Cash Flow Statement for the year ended 31 March 2021, is attached to the Balance Sheet as a part of the Financial Statements.

12. COMPLIANCES WITH RESPECT TO APPLICABLE SECRETARIAL STANDARDS:

During the period under review, the Company has complied with all the applicable Secretarial Standards.

13. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

Not applicable.

14. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

Not applicable.

ACKNOWLEDGEMENTS:

Your Directors would like to place on record their appreciation of the contribution made and support provided to the Company by the members, employees and bankers, during the year under report.

For and on behalf of the Board of Directors

Sd/-	**Sd/-**
Vinesh Kumar Jairath	**Gauri Kirloskar**
Managing Director	**Director**
DIN: 00391684	**DIN: 03366274**

Date: 30 April 2021
Place: Pune

WELLNESS SPACE DEVELOPERS LIMITED

ANNEXURE I TO THE BOARD'S REPORT

FORM NO. MGT -9
EXTRACT OF ANNUAL RETURN
AS AT FINANCIAL YEAR ENDED 31 MARCH 2021
[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	CIN	U45202PN2020PLC192070
ii	Registration Date	17 July 2020
iii	Name of the Company	Wellness Space Developers Limited
iv	Category / Sub-Category of the Company	Public Company / limited by shares
v	Address of the Registered Office and contact details	Office No. 801, 8th Floor, Cello Platina, Fergusson College Road, Shivajinagar, Pune 411 005 Tel: +91(20) 29704374 Email: wsdpl.pune@gmail.com
vi	Whether listed company	No
vii	Name, address and contact details of Registrar and Transfer Agent, if any	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company stated below: -

Sr. No.	Name and description of main products / services	NIC code of the product / service	% to total turnover of the Company
1	Real Estate Business	70	Nil

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of the Shares held	Applicable Section
1	Kirloskar Industries Limited Office No. 801, 8th Floor, Cello Platina, F.C. Road, Shivajinagar, Pune 411005	L70100PN1978PLC088972	Holding Company	100%	2(46)

WELLNESS SPACE DEVELOPERS LIMITED

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i) Category-wise Share Holding:

Category of Members	No. of shares held as on 17 July 2020				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
Individual / Hindu Undivided Family	Nil	10,000	10,000	100	Nil	Nil	Nil	Nil	(100)
Central Government	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
State Government (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Bodies Corporates	Nil	Nil	Nil	Nil	Nil	10,000	10,000	100	100
Bank / Financial Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (1): -	Nil	10,000	10,000	100	Nil	10,000	10,000	100	100
(2) Foreign									
Non-Resident Indians – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Other – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Bodies Corporates	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Banks / Financial Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	Nil	10,000	10,000	100	Nil	10,000	10,000	100	100
B. Public Shareholding									
1. Institutions									
Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Banks / Financial Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Central Government	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
State Government (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Institutional Investors	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Others (Specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B) (1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

2. Non – Institutions									
a. Body Corporates									
i. Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii. Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b. Individuals									
i. Individual members holding nominal share capital up to Rs. 1 Lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii. Individual members holding nominal share capital in excess of Rs. 1 Lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c. Others (Specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B) (2) :-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Public Shareholding (B) = (B) (1) + (B) (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C. Shares held by custodian for GDRs and ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	Nil	10,000	10,000	100	Nil	10,000	10,000	100	100

(ii) **Shareholding of Promoters:**

	Shareholder's Name	**Shareholding as on 17 July 2020**			**Shareholding at the end of the year**			**% change in shareholding during the year**
		No. of Shares	**% of total shares of the Company**	**% of Shares pledged / encumbered to total shares**	**No. of Shares**	**% of total shares of the Company**	**% of Shares pledged / encumbered to total shares**	
1	Mr. Sanjiv Aurora	5,000	50	Nil	Nil	Nil	Nil	(50)
2	Mrs. Reena Aurora	5,000	50	Nil	Nil	Nil	Nil	(50)
3	Kirloskar Industries Limited	Nil	Nil	Nil	9,994	100	Nil	99.94

(iii) Change in Promoters' Shareholding (please specify, if there is no change) :

Sr. No.	**For each of the Top 10 Members**	**Reason**	**Shareholding as on 17 July 2020**		**Cumulative Shareholding during the year**	
			No. of shares	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
1	Mr. Sanjiv Aurora					
	At the beginning of the year (17.07.2020)		5,000	50	Nil	Nil
	Decrease as on 19 December 2020	Transfer	(5,000)	(50)	Nil	Nil

	At the end of the year (31.03.2021)		Nil	Nil	Nil	Nil
2	Mrs. Reena Aurora					
	At the beginning of the year (17.07.2020)		5,000	50	-	-
	Decrease as on 19 December 2020	Transfer	(5,000)	(50)	Nil	Nil
	At the end of the year (31.03.2021)		Nil	Nil	Nil	Nil
3	Kirloskar Industries Limited					
	At the beginning of the year (17.07.2020)		Nil	Nil	-	-
	Increase as on 19 December 2020	Transfer				
	At the end of the year (31.03.2021)		-	-	9,994	100

(iv) Shareholding Pattern of top ten members (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For each of the Top 10 Members	Shareholding as on 17 July 2020		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Ashwini Mali, Nominee of Kirloskar Industries Limited j/w Kirloskar Industries Limited	Nil	Nil	1	0.00
2	Ms. Aditi Chirmule, Nominee of Kirloskar Industries Limited j/w Kirloskar Industries Limited	Nil	Nil	1	0.00
3	Mr. Umesh Shastry, Nominee of Kirloskar Industries Limited j/w Kirloskar Industries Limited	Nil	Nil	1	0.00
4	Mr. Jagdish Purandare, Nominee of Kirloskar Industries Limited j/w Kirloskar Industries Limited	Nil	Nil	1	0.00
5	Ms. Gauri Kirloskar, Nominee of Kirloskar Industries Limited j/w Kirloskar Industries Limited	Nil	Nil	1	0.00
6	Mrs. Gayatree Karandikar, Nominee of Kirloskar Industries Limited j/w Kirloskar Industries Limited	Nil	Nil	1	0.00

WELLNESS SPACE DEVELOPERS LIMITED

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Top 10 Members	Reason	Shareholding as on 17 July 2020		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Vinesh Kumar Jairath**					
	At the beginning of the year (17.07.2020)		Nil	Nil	Nil	Nil
	Increase / Decrease in shareholding		No change during the year			
	At the end of the year (31.03.2021)		Nil	Nil	Nil	Nil
2	**Gauri Kirloskar**					
	At the beginning of the year (17.07.2020)		Nil	Nil	Nil	Nil
	Increase in shareholding as on 25 March 2021		1	0.00	1	Nil
	At the end of the year (31.03.2021)		Nil	Nil	1	0.00
3	**Tejas Deshpande**					
	At the beginning of the year (17.07.2020)		Nil	Nil		
	Increase / Decrease in shareholding		No change during the year			
	At the end of the year (31.03.2021)		Nil	Nil	Nil	Nil
4	**Satish Jamdar**					
	At the beginning of the year (17.07.2020)		Nil	Nil	Nil	Nil
	Increase / Decrease in shareholding		No change during the year			
	At the end of the year (31.03.2021)		Nil	Nil	Nil	Nil

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding / accrued but not due for payment:

NONE

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. *Remuneration of Managing Director, Whole-time Directors and / or Manager:*

Mr. Vinesh Kumar Jairath – Managing Director

Sr. No.	Particulars of Remuneration	Amount (₹)
1	Gross Salary	
	a) Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961	68,40,000/-
	b) Value of perquisites under Section 17 (2) of the Income Tax Act, 1961	87,400/-
	c) Profits in lieu of salary under Section 17 (3) of the Income Tax Act, 1961	-
2	Stock Options	Note No.1
3	Sweat Equity	-
4	Commission - As % of profit - Others, specify	-
5	Others, please specify	-
	Total (A)	69,27,400/-
	Ceiling as per the Companies Act, 2013, excluding remuneration	Remuneration paid to the Managing Director is as per the approval of the members of the Company in the Extraordinary General Meeting held on 19 December 2020 and pursuant to Notification dated 18 March 2021, issued by Ministry of Corporate Affairs.

Note:

1. Pursuant to 'Kirloskar Industries Limited – Employees Stock Appreciation Rights Plan 2019' (KIL ESARP 2019), 33,000 ESARs were granted to Mr. Vinesh Kumar Jairath, Managing Director of the Company. During the year, 16,500 ESARs out of 33,000 ESARs were vested to him.

B. ***Remuneration to other Directors:***

Sr. No.	Name of Director	Particulars of Remuneration			Total Amount
		Fees for attending Board Meetings	Commission	Others, Please Specify	
1	Non-Executive Directors				
	Ms. Gauri Kirloskar	20,000	-	-	20,000
	Mr. Tejas Deshpande	30,000	-	-	30,000
	Mr Satish Jamdar	20,000	-	-	20,000
	Ms. Swati Salgaocar	10,000	-	-	10,000
	Mr. Sanjiv Aurora (Resigned w.e.f. 22.12.2020)	10,000	-	-	10,000
	Mrs. Reena Aurora (Resigned w.e.f. 22.12.2020)	10,000	-	-	10,000
	Total Remuneration to Directors				1,00,000
	Total Managerial Remuneration, excluding sitting fees				-
	Overall Ceiling as per the Companies Act, 2013, excluding sitting fees				-

C. ***Remuneration to Key Managerial Personnel other than Managing Director / Manager / Whole Time Director***:

Not Applicable.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

1. Company: None
2. Directors: None
3. Other Officers in Default: None

For and on behalf of the Board of Directors

Sd/-
Vinesh Kumar Jairath
Managing Director
DIN: 00391684

Sd/-
Gauri Kirloskar
Director
DIN: 03366274

Date: 30 April 2021
Place: Pune

INDEPENDENT AUDITOR'S REPORT

To the Members of Wellness Space Developers Limited

Report on the Audit of the Standalone Financial Statements

1. Opinion

We have audited the accompanying standalone financial statements of Wellness Space Developers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, statement of Changes in Equity and statement of Cash Flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the loss, total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Board of Directors and the Report on the Corporate Governance but does not include the Standalone Financial Statements and our auditor's report thereon.

The above reports were made available to us before the date of this auditor's report.

Our opinion on the Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above and in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

4. Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified 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 of 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 misstatements, 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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

5. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

6. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1," a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

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, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, 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 2" to this report.

(g) The managerial remuneration has been paid and provided in accordance with the provisions of Section 197 and Schedule V of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company 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.

For G. D. Apte & Co
Chartered Accountants
Firm Registration Number: 100515W
UDIN:21113053AAAABB7549

Sd/-
Umesh S. Abhyankar
Partner
Membership Number: 113 053
Pune, April 30, 2021.

Annexure 1 referred to in Paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of the Company for the year ended March 31, 2021 of Wellness Space Developers Limited.

i. (a) The company is maintaining proper records showing full particulars including quantitative details and situation of Property, plant and equipments.

(b) The Company has carried out physical verification of significant items of its property, plant and equipments during the year and no materials discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.

(c) The title deeds of immovable properties are held in the name of the Company.

ii. The Company's nature of business does not involve inventories for the year ended March 31, 2021 and accordingly, the requirements under paragraph 3 (ii) of the Order are not applicable to the Company.

iii. Based on the audit procedures conducted by us and according to the information and explanations given to us, no loans, secured or unsecured have been granted to companies, firms, limited liability Partnerships or other parties covered in the register maintained under section 189 of the Act.

iv. In our opinion and according to the information and explanations given to us, the Company has not given loans, made investments, given guarantees and provided securities which are covered by the provisions of Section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable.

v. The Company has not accepted any deposits from the public to which the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under apply. According to the information and explanations given to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

vi. The maintenance of cost records is not applicable to the company pursuant to the provisions of sub-section (1) of section 148 of the companies Act, 2013.

vii.

(a) According to the information and explanations given to us and on the basis of our examination of records of the company, in our opinion, the company is regular in depositing the undisputed statutory dues including, provident fund, income tax, Goods and service Tax, cess and other material statutory dues as applicable with appropriate authorities. According to the information and explanations given to us and from the records of the Company, there were no undisputed statutory dues as at the last day of the financial year which were outstanding for a period of more than six months from the date they became payable. We have been explained that dues in respect of Employee State Insurance and Custom Duty were not applicable during the year.

(b) According to the information and explanations given to us and on the basis of examination of books of account and records of the company, we report that there are no dues in respect of Income tax, Sales tax, Service tax, Customs Duty, Excise Duty, Value added tax, Goods and service tax or cess which have not been deposited on account of any dispute.

viii. The Company has not availed any loan from any financial institution, bank, government or by way of issue of debentures. Accordingly, reporting under this paragraph regarding default of the company in repayment of dues to financial institution, bank, government or debenture holders is not required.

ix. During the year, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans.

x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and as per the information and explanations given by the management, we report that no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. The managerial remuneration has been paid and provided in accordance with the provisions of Section 197 and Schedule V of the Act.

xii. According to the explanations given to us, the Company is not a Nidhi Company within the meaning of Section 406 of the Act.

xiii. Based upon the audit procedures performed and as per the information and explanations given to us, provisions of Section 177 of the Act are not applicable to the Company. We further report that the transactions with the related parties are in compliance with Section 188 of the Act where applicable and the details as required by the applicable Indian Accounting standards have been disclosed in the Financial Statements.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. Based upon the audit procedures performed and as per the information and explanations given to us, we report that the Company has not entered into any non-cash transactions of the nature as described in Section 192 (1) of the Act.

xvi. According to the information and explanations given to us and based on audit procedures performed by us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For G. D. Apte & Co,
Chartered Accountants
Firm Registration Number: 100515W
UDIN: 21113053AAAABB7549

Sd/-
Umesh S. Abhyankar
Partner
Membership Number: 113 053
Pune, April 30, 2021

Annexure-2 referred to in paragraph 7(2)(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report on even date on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Wellness Space Developers Limited

We have audited the internal financial controls over financial reporting of Wellness Space Developers Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone 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 the 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 Companies Act, 2013.

Auditor's 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 as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 were 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 internal financial controls system over financial reporting.

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.

Pune Office: GDA House, Plot No.85, Right Bhusari Colony, Paud Road, Kothrud, Pune – 411 038, Phone – 020 – 25280081, Fax No. 25280275, Email – audit@gdaca.com

Mumbai Office : Windsor, 6th Floor, Office no. 604, C.S.T Road, Kalina, Santacruz (East), Mumbai- 400 098

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For G. D. Apte & Co.
Chartered Accountants
Firm Registration number: 100515W
UDIN: 21113053AAAABB7549

Sd/-
Umesh S Abhyankar
Partner
Membership Number.: 113053
Pune, April 30, 2021

Pune Office: GDA House, Plot No.85, Right Bhusari Colony, Paud Road, Kothrud, Pune – 411 038, Phone – 020 – 25280081, Fax No. 25280275, Email – audit@gdaca.com

Mumbai Office : Windsor, 6th Floor, Office no. 604, C.S.T Road, Kalina, Santacruz (East), Mumbai- 400 098

WELLNESS SPACE DEVELOPERS LIMITED

BALANCE SHEET AS AT 31 MARCH 2021

(Amounts in Indian Rupees lakhs, unless otherwise stated)

		Note No.	As at 31 March 2021
	ASSETS		
1	**Non-Current Assets**		
(a)	Property, plant and equipment	6	735
(b)	Capital work-in-progress	7	7,967
(c)	Intangible assets	6	69
(d)	Intangible assets under development	8	30
(e)	Financial assets	9	9
(f)	Deferred Tax Assets	10, 28	8
			8,818
2	**Current Assets**		
(a)	Financial assets		
	Cash and cash equivalents	11	115
	Other financial assets	12	2
(b)	Current tax assets	13	2
(c)	Other current assets	14	309
			428
	TOTAL ASSETS		**9,246**
1	**EQUITY & LIABILITIES**		
	Equity		
(a)	Equity Share capital	15	1
(b)	Other equity	16	(258)
			(257)
2	**Non-current liabilities**		
(a)	Financial liabilities		
	Other financial liabilities	17	19
(b)	Provisions	18	24
			43
3	**Current liabilities**		
(a)	Financial liabilities		
	Borrowings	19	1,500
	Other financial liabilities	20	7,929
(b)	Other current liabilities	21	23
(c)	Provisions	22	8
			9,460
	TOTAL EQUITY AND LIABILITIES		**9,246**

Notes forming part of the Financial Statements: Note No. 1 to 38

As per our attached report of even date

For and on behalf of the Board of Directors

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W
Sd/-
Umesh S Abhyankar
Partner
Membership Number: 113053
Pune : 30 April 2021

For Wellness Space Developers Limited

Sd/-
Vinesh Kumar Jairath
Managing Director
DIN : 00391684

Sd/-
Gauri Kirloskar
Director
DIN : 03366274
Pune : 30 April 2021

WELLNESS SPACE DEVELOPERS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021

(Amounts in Indian Rupees lakhs, unless otherwise stated)

		Note No.	For the year ended 31 March 2021
1	**Income**		
(a)	Other income	23	20
2	**Total Income**		**20**
3	**Expenses**		
(a)	Employee benefits expenses	24	15
(b)	Finance costs	25	4
(c)	Depreciation and amortisation expenses	26	23
(d)	Other expenses	27	82
4	**Total expense**		**124**
5	**Profit/(loss) before tax**		**(104)**
6	**Tax expenses**		
	Current tax		-
	Deferred tax	28	(6)
7	**Total tax expense**		**(6)**
8	**Profit/(loss) for the year**		**(98)**
9	**Other Comprehensive Income /(Loss)**		
	Items that will not be reclassified to Profit and Loss		
	a) Gain/(loss) on remeasurements of defined benefit plan		(6)
	b) Income tax expenses / (reversal) relating to items that will not be reclassified to profit or loss		(2)
10	**Other Comprehensive Income/ (Loss)**		**(4)**
11	**Total Comprehensive Income/ (Loss) for the year**		**(102)**
12	**Earnings per equity share (for continuing operations)**		
	(Nominal value of share ₹ 10)	29	
	Basic & Diluted (₹)		(980)

Notes forming part of the Financial Statements: Note No. 1 to 38

As per our attached report of even date

For and on behalf of the Board of Directors

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W

Sd/-
Umesh S Abhyankar
Partner
Membership Number: 113053
Pune : 30 April 2021

For Wellness Space Developers Limited

Sd/-
Vinesh Kumar Jairath
Managing Director
DIN : 00391684

Sd/-
Gauri Kirloskar
Director
DIN : 03366274
Pune : 30 April 2021

WELLNESS SPACE DEVELOPERS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

(Amounts in Indian Rupees lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2021	
A. Cash flow from operating activities		
Net Profit / (Loss) before tax		(104)
Adjustments for:		
Depreciation and amortization expense	23	
Stock option expenses	11	
Interest income	(1)	
Finance cost	4	37
Operating profit / (loss) before working capital changes		(67)
Changes in working capital:		
(Increase) / Decrease in non current financial assets	(9)	
(Increase) / Decrease in current financial assets	(2)	
(Increase) / Decrease in other current assets	(248)	
Increase / (Decrease) in current financial liabilities	227	
Increase / (Decrease) in other current liabilities	23	
Increase / (Decrease) in non-current provisions	18	
Increase / (Decrease) in current provisions	8	
		17
Cash generated from operations		(50)
Net income tax (paid) / refunds		(2)
NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES		**(52)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payment for Real estate project under development	(631)	
Payment for acquisition of Property, plant and equipment	(693)	
Interest on fixed deposit with bank	1	
NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES		**(1,323)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings from holding company	1,500	
Payment of lease Liability	(11)	
Issue of equity shares	1	
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES		**1,490**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**115**
Cash and cash equivalents at the beginning of the year		-
Cash and cash equivalents at the end of the year (Refer Note No: 11)		**115**

Notes:

1. The above Cash- Flow Statement has been prepared under the indirect method setout in Indian Accounting Standard (IND AS) -7, 'Statement of Cash Flow' as specified in the Companies (Indian Accounting Standards) Rules, 2015.

2. Direct Tax paid is treated as arising from operating activities and are not bifurcated between investment and financing activities.

3. All figures in brackets indicate outflow.

Notes forming part of the Financial Statements: Note No. 1 to 38

As per our attached report of even date

For and on behalf of the Board of Directors

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W
Sd/-
Umesh S Abhyankar
Partner
Membership Number: 113053
Pune : 30 April 2021

For Wellness Space Developers Limited

Sd/-
Vinesh Kumar Jairath
Managing Director
DIN : 00391684

Sd/-
Gauri Kirloskar
Director
DIN : 03366274
Pune : 30 April 2021

NOTE 1: CORPORATE INFORMATION

Wellness Space Developers Limited ("the Company") is an unlisted public company, incorporated on 17 July 2020 under the provisions of the Companies Act, 2013. Initially, the Company was incorporated as a Private Limited Company. The consent of members was accorded in a meeting held on 12 March 2021, for conversion of the Company from 'Private Limited' to 'Public Limited' and consequently the name of the company was changed from 'Wellness Space Developers Private Limited' to 'Wellness Space Developers Ltd'. The Company is engaged in the business of real estate development of land parcels owned by the Company at Kothrud, Pune.

The Company is a wholly-owned subsidiary of Kirloskar Industries Limited.

The Standalone Financial Statements of the Company for the year ended 31 March 2021 were authorised for issue by the Board of Directors on 30 April 2021.

NOTE 2: BASIS OF PREPARATION

The Standalone Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

The Company has implemented accounting policies in line with the applicable Indian accounting standards and has consistently applied the same while preparing these Standalone Financial Statements.

a) Operating Cycle/ Current versus Non-Current Classification
The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

ASSETS:
An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

LIABILITIES:

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

The Company classifies all other liabilities as non-current.

- Deferred tax assets and liabilities are classified as non-current assets and liabilities.

- The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

- The Company has identified twelve months as its operating cycle.

The Standalone Financial Statements have been prepared on a historical cost basis, except for the following, which are measured on following basis on each reporting date:

Items	**Measurement Basis**
Share-based payment cost incurred by parent for employees of the company	Fair Value
Financial instruments	Initially at fair value and subsequently at amortised cost
Defined benefit liability/(assets):	Fair value of plan assets less present value of defined benefit obligation

Functional and presentation currency

The Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the company operates (‘the functional currency’). The Standalone Financial Statements are presented in Indian rupee (₹) rounded off to nearest lakhs (unless otherwise stated), which is the Company’s functional and presentation currency.

NOTE 3 : SIGNIFICANT ACCOUNT ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. For further details about determination of fair value refer note 4(a).

Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about defined benefit plans obligations are given in note 31.

Deferred tax

Deferred tax assets are recognised for all the deductible temporary differences including carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused losses can be utilised.

Estimations and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

NOTE 4: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies applied by the Company in preparing its Standalone Financial Statements:

a) Fair value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient information is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Standalone Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Standalone Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

b) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost net of accumulated depreciation and impairment losses, if any.

The cost comprises of the purchase price and directly attributable costs of bringing the asset to its working condition for the intended use. It also includes the initial estimate of the costs of dismantling, removing the item and restoring the site on which it is located, where the company has such contractual obligation. Any trade discounts and rebates are deducted in arriving at the purchase price. Each part of item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Capital work-in-progress comprises of the cost of property, plant and equipment that are not yet ready for their intended use as at the balance sheet date.

i. Depreciation and amortisation

Depreciation is provided on all assets (except land, being a non-depreciable asset) equally over the useful life of the individual assets as prescribed under Part C of Schedule II to the Act. These lives also reflect the management's estimate of the useful life of the respective property, plant and equipment.

In case of vehicles, useful life of 5 years (instead of 8 years as prescribed in Part C of Schedule II to the Act) has been estimated by the management of the Company for the purpose of charging depreciation.

All items of property, plant and equipment individually costing ₹ 5,000 or less are fully depreciated in the year of installation.

Depreciation is recognised in the statement of profit and loss from the month in which the asset is acquired while the depreciation on assets sold during the year is recognised in the statement of profit and loss till the month prior to the month in which the asset is sold.

ii. Disposals/ derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

iii. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed annually and adjusted prospectively, if appropriate.

c) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible assets are carried at cost comprising of the consideration paid for acquisition less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the expenditure is recognised in the statement of profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives i.e. software are amortized on a straight-line basis over the period of expected future benefits i.e. over their estimated useful lives of five years.
Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.
Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

d) Leases
Company as a Lessee:

The Company’s lease asset classes primarily consist of leases for buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or otherwise. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into during the Financial Year.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. Such depreciation is recognised in the statement of Profit & Loss except to the extent that it can be allocated to any Property, Plant & Equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company’s incremental borrowing rate. After the commencement date, the lease liability is adjusted by increasing the carrying amount to reflect interest on the lease liability; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount to reflect any reassessment or lease modifications. The lease liability is also remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company’s estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The interest on the lease liability is recognised in the statement of Profit & Loss except to the extent that it can be allocated to any Property, Plant & Equipment.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets (assets of less than Rs. 5,000 in value). The Company recognises the lease payments associated with these leases as an expense over the lease term.

Company as a Lessor:

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

e) Revenue recognition

I. Interest on fixed deposits with banks is recognised on a time proportion basis taking into account the amount outstanding and rate applicable. In case of significant uncertainty of receiving interest, the same is not recognised though accrued and is recognised only when received.

f) Income taxes

i. Current Income Tax

Current income tax assets and expenses/ liabilities are measured respectively at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss are recognised in correlation to the underlying transaction either in OCI or directly in equity.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable Company and the same taxation authority.

g) Borrowing Cost:

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset, is added to the cost of the assets. Borrowing costs that are not directly attributable to qualifying asset are recognised in the Statement of Profit and Loss using effective interest method.

A qualifying asset is an asset that necessarily takes 12 months or more to get ready for its intended use or sale and includes the real estate properties under development.

h) Provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of the provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

i) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Standalone Financial Statements.

j) Retirement and other employee benefits

a) Short term Employee Benefits

The distinction between short term and long-term employee benefits is based on expected timing of settlement rather than the employee's entitlement benefits. All employee benefits payable within twelve months of rendering the service are classified as short-term benefits and are measured on an undiscounted basis according to the terms and conditions of employment. Such benefits include salaries, bonus, short term compensated absences, awards, etc. and are recognised in the period in which the employee renders the related service, except to the extent that it can be allocated to any Property, Plant & Equipment..

b) Other employment benefits

(i) Defined contribution plan

The eligible employees of the Company are entitled to receive benefits under the Provident Fund which is defined contribution plans. In case of Provident Fund, both the employee and the Company contribute monthly at a stipulated rate to the government provident fund. The Company has no liability for future Provident Fund benefits other than its annual contributions which are recognised as an expense on an accrual basis.

The Company recognize contribution payable as an expenditure, when an employee renders the related services. If the contribution payable to the scheme for services received before balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then the excess recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or cash refund.

(ii) Defined benefit plan

The Company operates a defined benefit plan for its employees, viz. gratuity. The present value of the obligation or asset under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in finance cost in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly as other comprehensive income. They are included in retained earnings in the statement of changes in equity.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iii) Benefits for long term compensated absences:

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end.
Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly as other comprehensive income. They are included in retained earnings in the statement of changes in equity.

k) Business Combinations

Business combinations involving entities under common control are accounted for using the pooling of interest's method as follows:

(i) The assets and liabilities of the acquired undertaking are reflected at their carrying amounts.

(ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

(iii) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.

(iv) The identity of the reserves is preserved and the reserves of the transferor become the reserves of transferee.

(v) The difference, if any, between the amounts recorded as consideration in the form of cash or other assets and the amount of net assets is transferred to capital reserve and is presented separately from other capital reserves

l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

Initial recognition and measurement of financial assets

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in the following categories:

- Debt instruments at amortised cost

- Debt instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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 considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Interest income from these financial assets is included in finance income using the effective interest rate method.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company has made an irrevocable election to present subsequent changes in the fair value in the OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, on sale of investment. However, the Company transfers the cumulative gain or loss within the equity from OCI to Retained Earnings.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss at each reporting date.

Dividends from such investments are recognised in profit or loss when the Company's right to receive payments is established.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost
- Trade receivables or any contractual right to receive cash or another financial asset

The Company follows 'simplified approach' for recognition of impairment loss allowance on 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 ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised initially at fair value net of, in the case of financial liabilities not classified as FVTPL, transaction costs that are attributable to the issue of the financial liability. Financial assets and financial liabilities are recognised in the Balance Sheet when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated as such upon initial recognition. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated as such upon initial recognition at the initial date of recognition if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognised in OCI. These gains/ losses are not subsequently transferred to the statement of profit and loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Financial liabilities at amortised cost

After initial recognition, these instruments are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liability

A financial liability (or a part of a financial liability) is derecognised from the balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

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.

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

m) Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature and any deferral or accruals of past of future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the Company are segregated.

n) Dividend:

The Company recognises a liability to make cash distributions to the equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the provisions of the Act, a distribution is authorised when it is approved by the shareholders except in case of interim dividend which is approved by the Board of Directors. A corresponding amount is recognised directly in equity.

o) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with original maturity of three months or less, which are subject to an insignificant risk of changes in value. In the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts, if any as they are considered as integral part of the Company's cash management.

p) Earnings per share (EPS)

Basic EPS is calculated by dividing the Company's earnings for the year attributable to ordinary equity shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. The earnings considered in ascertaining the Company's EPS comprise the net profit after tax attributable to equity shareholders. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares) other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares.

q) **Segment reporting**

i) Operating segment

Ind AS 108 operating segment requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by the Managing Director, being Chief Operating Decision Maker (CODM) to assess performance and allocate resource. The standard also required Management to make judgments with respect to recognition of segments. Accordingly, the Company recognises Real Estate as its sole segment.

5) Recent Accounting pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

• Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
• Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
• Specified format for disclosure of shareholding of promoters.
• Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
• If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
• Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

• Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified
under the head 'additional information' in the notes forming part of the Standalone Financial Statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

WELLNESS SPACE DEVELOPERS LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021
(Amounts in Indian Rupees lakhs, unless otherwise stated)

A. Equity Share Capital

Equity shares of ₹ 10 each issued, subscribed and fully paid	As at 31 March 2021	
	No.	₹ lakhs
As at 17 July 2020	-	-
Add: Shares issued during the year	10,000	1
Less : Shares bought back during the year	-	-
As at 31 March 2021	**10,000**	**1**

B. Other Equity

Particulars	Reserves and surplus			Total
	Capital reserves	Deemed Equity on ESAR by holding company	Surplus/ (Deficit) in the Statement of Profit and Loss	
As at 17 July 2020	**-**	**-**	**-**	**-**
Profit/(Loss) for the year	-	-	(98)	(98)
Contribution by holding company during the year	-	109	-	109
Remeasurement of defined benefit plans (net of taxes)			(4)	(4)
Arising on acquisition of business undertaking (Refer Note 30)	(265)	-	-	(265)
As at 31 March 2021	**(265)**	**109**	**(102)**	**(258)**
Notes forming part of the Financial Statements: Note No. 1 to 38				

As per our attached report of even date

For and on behalf of the Board of Directors

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W

Sd/-
Umesh S Abhyankar
Partner
Membership Number: 113053
Pune : 30 April 2021

For Wellness Space Developers Limited

Sd/-
Vinesh Kumar Jairath
Managing Director
DIN : 00391684

Sd/-
Gauri Kirloskar
Director
DIN : 03366274
Pune : 30 April 2021

WELLNESS SPACE DEVELOPERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
(Amounts in Indian Rupees lakhs, unless otherwise stated)

Note 6: Property, Plant and Equipment and Intangible Assets

Particulars	Property, plant and equipment (A)									Intangible Assets (B)			Total (A) + (B)
	Land	Building	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Computers & Peripherals	Electrical Installations	Total (A)	Computer Software	Right of Use of Assets-Building	Total (B)	
Gross Block													
Balance as at 17 July 2020	-	-	-	-	-	-	-	-	-	-	-	-	-
- Additions*	542	80	3	2	106	15	3	1	**752**	36	39	**75**	**827**
- (Disposals)/ (Adjustments)	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	**542**	**80**	**3**	**2**	**106**	**15**	**3**	**1**	**752**	**36**	**39**	**75**	**827**
Accumulated Depreciation													
Balance as at 17 July 2020	-	-	-	-	-	-	-	-	-	-	-	-	-
- Depreciation charge for the year	-	4	-	-	10	2	1	-	17	3	3	6	23
- On (Disposals)/ (Adjustments)	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	**-**	**4**	**-**	**-**	**10**	**2**	**1**	**-**	**17**	**3**	**3**	**6**	**23**
Net Block													
Balance as at 17 July 2020	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	**542**	**76**	**3**	**2**	**96**	**13**	**2**	**1**	**735**	**33**	**36**	**69**	**804**

*Additions during the year include additions on account of acquisition of business undertaking in respect of Land Rs 3 Lakhs , Building Rs 19 Lakhs, Plant and machinery Rs 3 lakhs, Furniture and fixture Rs 2 lakhs, Vehicle Rs 12 lakhs, office equipments Rs 15 lakhs, Computer and peripherals Rs 3 lakhs, Electrical installation Rs 1 Lakh, Computer software Rs 36 lakhs (Refer Note no. 30)

	As at 31 March 2021
Note 7 : Capital work-in-progress	
Balance as at 17 July 2020	-
Add: Additions during the year*	7,967
Less: Capitalised during the year	-
Balance as at the end of the year	**7,967**

*Addition during the year includes addition on acquisition of business undertaking amounting to Rs 7,060 Lakhs.

Note 8 : Intangible assets under development

Balance as at 17 July 2020	-
Add: Additions during the year*	30
Less: Capitalised during the year	-
Balance as at the end of the year	**30**

*Addition during the year represent addition on acquisition of business undertaking amounting to Rs 30 Lakhs .

Note 9 : Financial assets

Measured at amortised cost	
(Unsecured, considered good)	
Security deposits	9
Total	**9**

Note 10: Deferred Tax Assets

Deferred tax assets (Net)	8
	8

WELLNESS SPACE DEVELOPERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
(Amounts in Indian Rupees lakhs, unless otherwise stated)

Note 11 : Cash and cash equivalents

Cash on hand*	-
Balances with banks:	
– On current accounts	115
Total	**115**

(* Value less than a Rupee lakh)

Note 12 : Other financial assets

Measured at amortised cost	
(Unsecured, considered good)	
Other receivables	2
Total	**2**

Note 13 : Current tax assets

Current tax assets (Net)	2
Total	**2**

Note 14 : Other current assets

(Unsecured, considered good)	
Balances with government authorities	306
Prepaid expenses	3
Total	**309**

WELLNESS SPACE DEVELOPERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
(Amounts in Indian Rupees lakhs, unless otherwise stated)

Note 15 : Equity Share capital

Particulars	As at 31 March 2021	
	Nos.	**(₹ in lakhs)**
AUTHORISED		
Equity shares of Rs.10/- each	50,000	5
ISSUED AND SUBSCRIBED		
Equity shares of Rs.10/- each	10,000	1
CALLED UP AND PAID UP	10,000	1
Equity shares of Rs.10/- each		
Total	**10,000**	**1**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2021	
	Nos.	**(₹ in lakhs)**
At the beginning of the year	-	-
Add: Issued during the year	10,000	1
Outstanding at the end of the year	10,000	1

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

(c) Shares held by holding Company

Out of equity shares issued by the Company, shares held by its holding Company are as below:

Particulars	As at 31 March 2021	
	Nos.	**(₹ in lakhs)**
Kirloskar Industries Limited	10,000	1
Equity shares of Rs.10 each fully paid		
(The holding Company through its nominees holds 6 equity shares of Company.)		
Total	**10,000**	**1**

(d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 March 2021	
	Nos.	**% holding in the class**
Kirloskar Industries Limited*	10,000	100%
Equity shares of Rs.10 each fully paid		
**The holding Company through its nominees holds 6 equity shares of Company.*		
Total	**10,000**	**100%**

(e) There are no shares allotted pursuant to contract(s) without payment being received in cash during year.

(Amounts in Indian Rupees lakhs, unless otherwise stated)

	As at As at 31 March 2021
Note 16 : Other equity	
(a) Capital Reserve	
Balance as at the beginning of the year	-
Add : On account of acquisition of business undertaking (Refer note no. 30)	(265)
Balance as at the end of the year	**(265)**
(b) Deemed Equity on ESAR by holding company	
Balance as at the beginning of the year	-
Add : Contribution made by Holding Company during the year	109
Balance as at the end of the year	109
(c)Surplus/ (Deficit) in the statement of profit and loss	
Balance as at the beginning of the year	-
Add: Net Profit/(loss) transferred from the Statement of Profit and Loss	(98)
Add/(Less): Remeasurement of defined benefit plans (net of taxes)	(4)
Net surplus/ (deficit) in the Statement of Profit and Loss	**(102)**
Total	**(258)**

Note:

1) Capital Reserve

Capital reserve represents an amount being excess of Purchase Consideration over Net Assets acquired being recognised as negative Capital Reserve (Refer Note no. 30)

2) Deemed Equity on ESAR by holding company

Deemed Equity on ESAR represents the fair value of options granted by Holding company to the employees of the Company under the employee stock option plans , which are unvested or unexercised as on the reporting date

3) Surplus/ (Deficit) in the statement of profit and loss

This comprise of the undistributed profit/ (Loss) after taxes.

WELLNESS SPACE DEVELOPERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
(Amounts in Indian Rupees lakhs, unless otherwise stated)

	As at 31 March 2021
Note 17 : Other financial liabilities	
(Measured at Amortised Cost)	
Lease liability	19
Total	**19**
Note 18 : Provisions	
Gratuity	21
Compensated Absences	3
Total	**24**
Note 19 : Borrowings	
(Measured at amortised cost)	
(Unsecured, considered good)	
Loan from Holding Company*	1,500
Total	**1,500**

*The borrowings are unsecured, non-interest bearing and repayable on demand.

Note 20 : Other financial liabilities	
(Measured at amortised cost)	
Payable to holding company	
- In respect of purchase of business undertaking (refer note no 30)	7,500
- In respect of other liabilities	138
Expenses and other payable	193
Lease liability	13
Security deposits	53
Employee benefits	32
Total	**7,929**
Note 21 : Other current liabilities	
Statutory liabilities	23
Total	**23**
Note 22 : Provisions	
Gratuity*	-
Compensated absences	8
Total	**8**

(* Value less than a Rupee lakh)

	For the year ended 31 March 2021
Note 23 : Other income	
Interest income	1
Property Licensing Fees	19
Total	**20**
Note 24 : Employee benefits expenses	
Salaries, wages and bonus	14
Employee stock option expenses	1
(Stock option extended by holding company)	
Contribution to provident and other funds*	-
Total	**15**
(* Value less than a Rupee lakh)	
Note 25 : Finance costs	
On provisions	
Lease liability	4
Net Interest on net defined benefit liability*	-
Total	**4**
(* Value less than a Rupee lakh)	
Note 26 : Depreciation and amortisation expenses	
On property, plant and equipment (Refer Note 6)	18
On right of use of asset (Refer Note 6)	3
On intangible assets (Refer Note 6)	2
Total	**23**
Note 27 : Other expenses	
Business facilitation expenses	42
Security expenses	18
Directors Fees and Expenses	1
Legal & Professional Charges	4
Repairs and maintenance	
- Property	5
- Other assets	4
Electricity charges	2
Payment to auditors :	
(a) for audit	5
(b) for taxation matters	-
(c) for other services	-
Miscellaneous Expenses	1
Total	**82**

(Amounts in Indian Rupees lakhs, unless otherwise stated)

Note 28: Deferred Tax

	Balance sheet	Statement of profit and loss
	As at 31 March 2021	**Year ended 31 March 2021**
Deferred tax relates to the following:		
Deferred tax assets		
Provision for Employee Benefits	(9)	(9)
Gross deferred tax assets	**(9)**	**(9)**
Deferred tax liabilities		
Property, plant and equipment and intangible assets	1	1
Gross deferred tax liabilities	**1**	**1**
Deferred tax (Assets)/Liabilities (net)	**(8)**	**(8)**
Amount recognised in Statement of Profit and Loss		(6)
Amount recognised in Statement of Other Comprehensive Income		(2)

Note 29: Earnings per share

by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by adjusting profit or loss attributable to ordinary equity holders of the entity,

Particulars		As at 31 March 2021
Net profit after tax attributable to equity shareholders of the Company	(A)	(98)
Weighted average number of equity shares in calculating Basic EPS	(B)	10,000
Basic and Diluted earnings per share of face value of 10 each (₹)	(A/B)	(980)

Note 30: Business Combination

The Company acquired the 'Real Estate Business Undertaking at Kothrud' (a business under common control) from the Holding Company, 'Kirloskar Industries Limited (KIL)', as a going concern on a ‘Slump Sale’ basis vide Business Transfer Agreement dated December 19, 2020. The acquisition has been accounted for using the pooling of interest method as per Ind AS 103, “Business Combinations,” and accordingly, the net assets of the undertaking as on December 19, 2020 have been recorded at their respective carrying values as on that date.

The details of net assets transferred and the treatment of excess of purchase consideration over the net assets are given below:

Particulars	As at 31 March 2021
i) Net Assets Acquired	7,235
ii) Purchase consideration	7,500
iii) Excess of Purchase Consideration over Net Assets acquired being recognised as Negative Capital Reserve (I - ii)	**265**

Note 31: Employee benefits expense

(a) Defined contribution plans :

The Company has contributed ₹ 2 Lakhs towards Defined Contribution plans i.e. Provident Fund.

Particulars	Year ended 31 March 2021
- Amount recognised in the Statement of Profit and Loss towards Contribution to employees provident fund*	-
- Amount considered under 'Capital Work in Progress'.	2
Total	**2**

(* Value less than a Rupee lakh)

(b) Defined benefit plans :

Gratuity : The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for a gratuity on separation at 15 days basic salary (last drawn salary) for each completed year of service. Where service is in excess of 15 years, full month’s basic salary is considered for the calculation of gratuity.

WELLNESS SPACE DEVELOPERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amounts in Indian Rupees lakhs, unless otherwise stated)

Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 : Employee Benefits

Particulars	Year ended 31 March 2021
Amount recognised in Statement of Profit and Loss under employee benefit expenses	
Current / Past service cost	-
Interest expenditure on defined benefit liability*	-
Total	**-**
Amount recognised in statement of other comprehensive income	
Remeasurements of defined benefit plan (gain) /loss	**6**

*(Value less than a rupee Lakh)

Reconciliation of liability

Particulars	Present value of Obligation
	Year ended 31 March 2021
Balance as at 17 July 2020	-
Current / Past service cost	-
Remeasurements of defined benefit plan ((gain)/loss)	6
Net interest (income) / expense*	-
Total amount recognised in statement of profit and loss	**6**
Remeasurement during the period due to:	
Return on plan assets excluding amounts included in interest income	-
Change in financial assumptions	-
Change in experience adjustments	-
Total amount recognised in other comprehensive income	**-**
Transfer In / (Out) from holding company	**15**
Employers Contributions	-
Benefit payments	-
Balance at the end of the year	**21**

*(Value less than a rupee Lakh)

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	As at 31 March 2021
Present value of obligations	21
Fair value of plan assets	NA
(Deficit)/ Surplus of plans	(21)
Deficit of Gratuity plan	**(21)**

(Amounts in Indian Rupees lakhs, unless otherwise stated)

The principal assumptions used in determining gratuity obligations for the Company are shown below:

Particulars	As at 31 March 2021
a. Discount Rate	6.30%
b. Rate of increase in compensation cost	
- For first year	0.00%
- Thereafter per annum increase	10.00%
c. Expected average remaining working lives of employees (years)*	6.33
d. Withdrawal rate of Attrition	10.00%

*It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

A quantitative sensitivity analysis for significant assumption as at 31 March 2021 is shown below:
Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the present value of obligation.

Particulars	Sensitivity level	Increase / (decrease) in defined benefit obligation (impact)
		31 March 2021
Discount rate		
Decrease by	1%	1
Increase by	1%	(1)
Future salary increase		
Decrease by	1%	(1)
Increase by	1%	1
Withdrawal rate		
Decrease by	1%	-
Increase by	1%	-

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects the other variables. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

The followings are the expected future benefit payments for the defined benefit plan:

Particulars	As at 31 March 2021
Within the next 12 months (next annual reporting period)	60
Between 2 and 5 years	1,010
Beyond 5 years	3,000
Total expected payments	**4,070**

Weighted average duration of defined benefit plan obligation (based on discounted cash flows):

Particulars	As at 31 March 2021
Weighted average duration of defined benefit plan obligation (years)	11.31

Risk exposure

Through its defined benefit plans, the entity is exposed to a number of risks, the most significant of which are detailed below:

(A) Changes in bond yields

A decrease in bond yields will increase plan liabilities.

(B) Legislative risk

The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

(C) Liability Risks

(i) Asset-Liability Mismatch Risk-

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

(ii) Discount Rate Risk-

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

(iii) Future Salary Escalation and Inflation Risk -

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

(iv) Unfunded Plan Risk

This represents unmanaged risk and a growing liability. There is an inherent risk here that the Company may default on paying the benefits in adverse circumstances. Funding the plan removes volatility in company's financials and also benefit risk through return on the funds made available for the plan.

WELLNESS SPACE DEVELOPERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

(Amounts in Indian Rupees lakhs, unless otherwise stated)

Note 32: Related party transactions

Related parties, as defined under Clause 3 of Ind AS 24 "Related Party Disclosures", have been identified on the basis of representation made by the Key Management Persons and taken on record by the Board of Directors. Disclosures of transactions with Related Parties are as under:

(A) List of related parties as per the requirements of Ind AS 24 - Related party disclosures

(i) Holding Company:

Kirloskar Industries Limited

(ii) Fellow Subsidiary:

Kirloskar Ferrous Industries Limited

(iii) Key management personnel (KMP):

Name of Key Management Personnel	Designation	Transactions with Relatives of KMP and relationship
Mr.Vinesh Kumar Jairath	Managing Director	None

(B) Summary of transactions with related parties

Nature of transaction	Year	Holding Company	Key Management Personnel
Compensation paid to Key Management Personnel*	**2020-21**	--	77
Transfer of Real Estate Business Undertaking	**2020-21**	7,500	
Borrowings	**2020-21**	1,500	
Security deposit paid	**2020-21**	8	
Licensing fees paid	**2020-21**	4	--
Purchase of assets from Holding company	**2020-21**	94	--
Reimbursement of expenses to Holding Company	**2020-21**	418	--
Outstanding as at 31 March			
Other Liabilities	**2021**	138	--
Expenses payable	**2021**	--	1
Security deposit receivable	**2021**	8	--
Purchase consideration payable for acquisition of Business undertaking	**2021**	7,500	--
Borrowings	**2021**	1,500	--

***Compensation paid to Key Management Personnel**

Particulars	**As at 31 March 2021**
Short-term employee benefits (compensation)	69
Post - employment gratuity benefits	4
Other long-term employment benefits	4
Total	**77**

WELLNESS SPACE DEVELOPERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
(Amounts in Indian Rupees lakhs, unless otherwise stated)

Note 33: Leases

(a) Right of Use of Assets	As at 31 March 2021
Opening balance at the beginning of the year	-
Add : Addition during the year	39
Less : Reduction due to termination of lease agreement during the year	-
Less : Amortisation for the year	(3)
Closing balance at the end of the year	**36**

(b) Maturity analysis of leases

Cash Payment of Lease Liability	
Not later than one year	15
Later than one year but not later than five years	29
Later than 5 years	-
Total	**44**

Note 34: Fair value measurements

Set out below is a comparison, by class, of the carrying amounts and the fair value of the Company's financial instruments as of 31 March 2021

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit and loss	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
Financial assets					
Security Deposit	9	-	-	9	9
Cash and cash equivalents	115	-	-	115	115
Other financial assets	2	-	-	2	2
Total	**126**	**-**	**-**	**126**	**126**
Financial liabilities					
Lease liability - Non- current	19	-	-	19	19
Borrowings	1,500	-	-	1,500	1,500
Other financial liabilities	7,929	-	-	7,929	7,929
Total	**9,448**	**-**	**-**	**9,448**	**9,448**

(Amounts in Indian Rupees lakhs, unless otherwise stated)

The following methods & assumptions were used to estimate the fair values / amortised cost as applicable

i) The management assessed that the fair value of cash and cash equivalents, other bank balances, deposits and other financial assets and liabilities approximate their carrying amounts.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

ii) The fair value of other financial liabilities, i.e. Lease liabiliities (current and non-current portion) is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Note 35: Financial risk management

The Company's activities expose it to market risk, interest rate risk and liquidity risk . This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified are systematically addressed through risk mitigation actions on a continuing basis.

(A) Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

The Company does not have any foreign currency obligation Accordingly, the Company does not perceive any foreign currency risk or interest rate risk.

(B) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has borrowed an interest free borrowing from its Holding company, which is repayable on demand. Hence, the Company does not perceive any interest rate risk.

(C) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The flexibility in funding requirements is met by ensuring availability of adequate inflows.

The Company has maintained adequate source of financing w.r.t. Borrowings from Holding Company, being a non-interest bearing loan, repayable on demand.

The table below summarises the maturity profile of the Company’s financial liabilities based on contractual undiscounted payments.

Particulars	**On demand**	**Upto 1 year**	**More than 1 year upto 3 years**	**More than 3 years**
Balance as at 17 July 2020				
Borrowings	1,500	-	-	-
Other financial liabilities*	-	7,929	19	
As at 31 March 2021	**1,500**	**7,929**	**19**	**-**

*Out of above, maturity analyses of Lease liability , being the undiscounted amount of Leases to be paid, has been provided vide note no. 34 (b)

WELLNESS SPACE DEVELOPERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
(Amounts in Indian Rupees lakhs, unless otherwise stated)

Note 36: Capital Management

The Company's objectives when managing capital are to :
- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and
- Maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the company consists of Debt and total equity. In order to maintain the capital structure consistent with other companies of the industry, the Company monitors capital on the basis of the following data:

Particulars	As at 31 March 2021
Borrowing from holding company	1,500
Less: Cash and cash equivalents	115
Net debt	1,385
Total Capital	(257)

The Company shall, in order to manage the capital structure, consider to make adjustments to the Capital Structure in light of changes in economic conditions and the requirements of the financial covenants.

The company has implemented its objectives, polices and processes for managing its captal from this Financial year. The said objectives, policies and processes shall be followed consistently in the future.

Note 37: Events after reporting period

According to the management's evaluation of events subsequent to the balance sheet date, there were no significant adjusting events that occurred other than those disclosed/given effect to, in these Financial Statements as at 31 March 2021.

Note 38:

The Company was incorporated on 17 July 2020. This is the first financial year of the company and as such there are no figures for previous year.

As per our attached report of even date

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W

Sd/-
Umesh S Abhyankar
Partner
Membership Number: 113053
Pune : 30 April 2021

For and on behalf of the Board of Directors

For Wellness Space Developers Limited

Sd/-
Vinesh Kumar Jairath
Managing Director
DIN : 00391684

Sd/-
Gauri Kirloskar
Director
DIN : 03366274
Pune : 30 April 2021