

**CHANDRASHEKAR IYER & CO**  
**CHARTERED ACCOUNTANTS**



Suite B5/001 Green Acres II Chs Ltd Off Ghodbunder Road, Waghbil, Thane (W) – 400615 Maharashtra , India  
Tel. : 022 -25973364 (M) : 8879299088  
Email : csiyerco@gmail.com • www.csiyerco.com

**Independent Auditor's Report**

To the Members of Marvel Housing Private Limited

**Report on the Audit of the Financial statements**

**Opinion**

We have audited the accompanying financial statements of Marvel Housing Private Limited ('the Company'), which comprise the Balance sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement Of Changes In Equity and the Statement of Cash Flows and for the year ended on that date , and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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, 2020, the loss and total comprehensive income , changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statement in accordance with the Standards of Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditors 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 (ICAI) together with the independent requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Emphasis of matter(s)**

We draw attention to:

- a) Note 18 in the financial statements, which describes the economic and social consequences the entity is facing as a result of covid-19 which is impacting consumer demands , supply chains , financial markets , personnel available for work or being able to access offices.

Our opinion is not modified in respect of the above matter.



### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

### **Information Other than the Financial statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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.

### **Management's Responsibility for the Financial statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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





### **Auditor's Responsibilities for the Audit of the Financial statements**

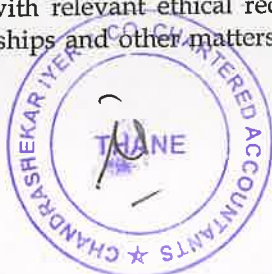
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the 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 financial statements of the current period 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.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

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

e) The covid - 19 matter described in sub-paragraph (a) under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company

f) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: The Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable.

i) 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 has no pending litigations on its financial position in its Ind AS financial statements.
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



iii. there are no amounts that are required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Chandrashekar Iyer & Co  
Chartered Accountants  
Firm Registration No. 114260W

(Chandrashekar Iyer)  
Partner  
Membership No.47723  
Mumbai, June 9,2020

UDIN:20047723AAAAAO1275



**Annexure - A To The Independent Auditors' Report**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Marvel Housing Private Limited of even date)**

- i. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. During the year the Company had physically verified the assets once and the material discrepancies had been suitably dealt with in the accounts. In our opinion the frequency of such verification is reasonable having regard to the size of the company and the nature of its assets.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company .
- ii. The Company has not made any purchases or holds any inventory during the year. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, sub-clauses (a) , (b) and (c) of clause (iii) of paragraph 3 of the said order are not applicable.
- iv. According to the information and explanations given to us , the company has neither made any loans and investments. Accordingly, clause (iv) of paragraph 3 of the said order are not applicable.
- v. In our opinion and according to information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provision of section 73 to 76 or any other relevant provision of the Act and the rules framed there under are applicable.
- vi. The Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 for any of the activities of the Company.
- vii. a. The Company is regular in depositing with appropriate authorities applicable undisputed statutory dues including provident fund, employees' state insurance, income- tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of service tax , customs duty, excise duty were outstanding, as at March 31, 2020 for a period of more than six months from the date they became payable except the following:





Name of the statute	Nature of dues	Amount in Rs	Period to which relates	Due Date
Income tax act	TDS	54,850	FY 2016-17	07.07.2016
Profession Tax	PT	5,32,207	FY 2019-20 & earlier	15.09.2019
ESIC	ESIC	58,252	FY 2019-20	15.09.2019

- b. According to the information and explanations given to us and the records of the company examined by us, there are no dues of sales tax, income tax, customs duty and excise duty which have not been paid deposited on account of any dispute.

viii.

According

to the information and explanations given to us, the company has not borrowed any funds from financial institutions or banks or debenture holders or Government and accordingly clause viii of paragraph 3 of the said order is not applicable.

ix.

The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

x.

According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi.

According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid / provided for managerial remuneration. Accordingly clause (xi) of paragraph 3 of the Order is not applicable.

xii.

In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii.

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv.

According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.


xv.

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.



- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Chandrashekar Iyer & Co  
Chartered Accountants  
Firm Registration No.: 114260W

  
(Chandrashekar Iyer)  
Partner  
Membership No.:47723

Mumbai, June 9, 2020  
UDIN:20047723AAAAAO1275





**Annexure 'B' To The Independent Auditors' Report**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements section of our report to the Members of Marvel Housing Private Limited of even date)

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Marvel Housing Private Limited ("the Company") as of 31<sup>st</sup> March 2020 in conjunction with our audit of the Financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting of the Company.

**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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

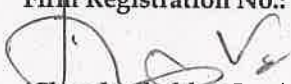
#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us , 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 31st March 2020 , based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Chandrashekar Iyer & Co  
Chartered Accountants  
Firm Registration No.: 114260W

  
(Chandrashekar Iyer)  
Partner  
Membership No.:47723



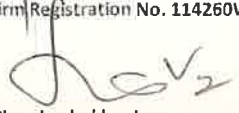
Mumbai, June 9, 2020  
UDIN:20047723AAAAAO1275

Marvel Housing Private Limited  
Balance Sheet For the Year Ended March 31st , 2020

Particulars		Note No.	As at March 31st, 2020	As at March 31st, 2019
A	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Other non-current assets	3	641,026	963,312
	(b) Deferred Tax Assets(Net)		156,498	19,650
	<b>Total Non - Current Assets</b>		<b>797,524</b>	<b>982,962</b>
2	<b>Current assets</b>			
	(a) Financial Assets			
	(i) Trade Receivable	4	1,928,698	8,508,517
	(ii) Cash and cash equivalents	5	636,649	909,420
	(b) Current Tax Assets(Net)		1,906,629	1,230,973
	(c) Other current assets	6	21,566,757	18,654,750
	<b>Total Current Assets</b>		<b>26,038,733</b>	<b>29,303,660</b>
	<b>Total Assets (1+2)</b>		<b>26,836,257</b>	<b>30,286,622</b>
B	<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>			
	(a) Equity Share capital	7	100,000	100,000
	(b) Other Equity	8	(1,464,865)	(1,157,423)
	<b>Equity attributable to owners of the Company (I)</b>		<b>(1,364,865)</b>	<b>(1,057,423)</b>
	<b>LIABILITIES</b>			
2	<b>Non-current liabilities</b>			
	(a) Provisions	9	125,336	72,832
	<b>Total Non - Current Liabilities</b>		<b>125,336</b>	<b>72,832</b>
3	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Trade payables	10	2,279,014	2,633,795
	(a) Other current liabilities	11	25,796,773	28,637,417
	<b>Total Current Liabilities</b>		<b>28,075,787</b>	<b>31,271,213</b>
	<b>Total Equity and Liabilities (1+2+3)</b>		<b>26,836,257</b>	<b>30,286,622</b>
	See accompanying notes to the financial statements	3-25		


In terms of our report attached.

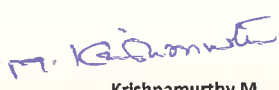
For Chandrashekar Iyer & Co  
Chartered Accountants  
Firm Registration No. 114260W

  
Chandrashekar Iyer  
Partner  
Membership No.047723  
Place: Thane  
Date: JUNE 9, 2020



For and on behalf of the Board of Directors

  
D Santhanam  
Director  
DIN :00226569  
Place: Pune  
Date: June 9, 2020

  
Krishnamurthy M  
Director  
DIN :00037763  
Place: Pune  
Date: June 9, 2020

Marvel Housing Private Limited  
Statement of Profit and Loss For the Year Ended March 31st, 2020

Particulars	Note No.	As at March 31st, 2020	As at March 31st, 2019
<b>Continuing Operations</b>			
I Revenue from operations	12	36,691,156	31,780,039
Revenue from others			
II Total Revenue		36,691,156	31,780,039
<b>III EXPENSES</b>			
(a) Contract Expense	13	31,816,530	29,684,558
(b) Finance costs	14	453,777	706,908
(c) Other expenses	15	4,564,676	980,190
IV Total Expenses		36,834,983	31,371,656
V Profit/(loss) before exceptional items and tax (II - IV)		(143,827)	408,383
VI Exceptional Items			-
VII Profit/(loss) before tax (V - VI)		(143,827)	408,383
<b>VIII Tax Expense</b>			
(1) Current tax		322,286	92,733
(2) Deferred tax		(136,848)	155,770
(3) (Excess) / Short provision for tax of earlier years			
Less: MAT Credit Entitlement			44,879
Total tax expense		185,438	203,624
IX Profit/(loss) after tax from continuing operations (VII - VIII)		(329,265)	204,759
<b>X Discontinued Operations</b>			
(1) Profit/(loss) from discontinued operations			
(2) Tax Expense of discontinued operations			
XI Profit/(loss) after tax from discontinued operations (XII + XIII)			-
XII Profit/(loss) for the period (IX + XI)		(329,265)	204,759
XIII Other comprehensive income		21,823	73,596
XIV Total comprehensive income for the period (XII + XIII)		(307,442)	278,355
<b>XV Total comprehensive income for the period attributable to:</b>			
Owners of the Company		(307,442)	278,355
Non controlling interests			-
<b>XVI Earnings per equity share (for continuing operation):</b>			
(1) Basic	16	(32.93)	20.48
(2) Diluted	16	(32.93)	20.48
<b>XVII Earnings per equity share (for discontinued operation):</b>			
(1) Basic	16		-
(2) Diluted	16		-
<b>XVIII Earnings per equity share (for continuing and discontinued operations):</b>			
(1) Basic	16	(32.93)	20.48
(2) Diluted	16	(32.93)	20.48
See accompanying notes to the financial statements		3-25	

In terms of our report attached.

For Chandrashekar Iyer & Co  
Chartered Accountants  
Firm Registration No. 114260W

*[Signature]*

Chandrashekar Iyer  
Partner

Membership No.047723

Place: Thane

Date: June 9, 2020



For and on behalf of the Board of Directors

*[Signature]* *[Signature]*

D Santhanam  
Director

DIN :00226569

Place: Pune

Date: June 9, 2020

Krishnamurthy M  
Director

DIN :00037763

Place: Pune

Date: June 9, 2020



Marvel Housing Private Limited  
Cash Flow Statement as on March 31, 2020

Cash Flow Statement - Indirect Method

(0)

Particulars	Note No.	As at March 31st, 2020	As at March 31st, 2019
<b>Cash flows from operating activities</b>			
Profit before tax for the year	PL	(307,442)	278,355
Adjustments for:			
Finance costs recognised in profit or loss		453,778	706,909
<b>Cash flows from operating activities before working capital changes</b>		146,336	985,264
Movements in working capital:			
(Increase)/decrease in other assets		3,177,594	(2,234,690)
Increase/(Decrease) in trade and other payables		(3,142,922)	4,692,793
<b>Cash generated from operations</b>		181,007	3,443,367
Income taxes paid			-
<b>Net cash generated by operating activities</b>		181,007	3,443,367
<b>Cash flows from investing activities</b>			
Net cash (used in)/generated after investing activities		181,007	3,443,367
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		-	(2,478,331)
Interest paid		(453,777)	(706,908)
<b>Net cash used in financing activities</b>		(272,769)	258,128
<b>Net increase in cash and cash equivalents</b>			
Cash and cash equivalents at the beginning of the year		909,420	651,292
Cash and cash equivalents at the end of the year		636,649	909,420
<b>Net Cash used during the year</b>		772,769	(258,128)

In terms of our report attached.

For and on behalf of the Board of Directors

For Chandrashekar Iyer & Co  
Chartered Accountants  
Firm Registration No. 114260W

Chandrashekar Iyer  
Partner  
Membership No.047723  
Place: Thane  
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**Marvel Housing Private Limited**  
**Notes forming part of the financial statements**

**1. CORPORATE INFORMATION**

Marvel Housing Pvt Ltd (the 'Company') was incorporated on July 11, 2005 and having CIN U45200MH2005PTC154682. The Company is engaged in the business of Construction, development and Real Estate .

**2. SIGNIFICANT ACCOUNTING POLICIES:**

**2.01 Statement of Compliance**

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2016.

**2.02 Basis of preparation and presentation**

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

**2.03 Use of estimate**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialize.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax liabilities and provisions and contingent liabilities.

**Impairment of investments**

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

**Valuation of deferred tax assets**

The Company reviews recognition of deferred tax at the end of each reporting period. The policy for the same has been explained under Note 2.09.

**Provisions and contingent liabilities**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money (if the impact of discounting is significant) and the risks specific to the obligation. The increase in the provision due to unwinding of discount over passage of time is recognized as finance cost. Provisions are reviewed at the each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Warranty cost are accrued on completion of project, based on past experience. The provision is discharged over the warranty period from the date of project completion till the defect liability period of particular project.



#### 2.04 Revenue Recognition / Cost Recognition

- c) Interest Income – Interest income is recognized on time proportion basis taking into account the amounts invested and the rate of interest.
- e) Rental Income - Income from letting-out of property is accounted on accrual basis - as per the terms of agreement and when the right to receive the rent is established.
- f) Income from services rendered is recognised as revenue when the right to receive the same is established.
- g) Profit on sale of investment is recorded upon transfer of title by the Company. It is determined as the difference between the sale price and the then carrying amount of the investment.

#### 2.06 Foreign Currency

The functional currency of the Company is Indian rupee.

##### Initial Recognition

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction.

##### Conversion

Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

#### 2.07 Borrowing Costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. 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 are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

Advances/deposits given to the vendors under the contractual arrangement for acquisition/construction of qualifying assets is considered as cost for the purpose of capitalization of borrowing cost.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.  
All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### 2.08 Employee benefits

##### a) Short-term Employee Benefits -

The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by the employees is recognised during the year when the employees render the service.

##### b) Post Employment Benefits -

###### (1) Defined Contribution Plan:

Payments to defined contribution retirement benefit schemes viz. Company's Provident Fund Scheme and Superannuation Fund are recognised as an expense when the employees have rendered the service entitling them to the contribution.

###### (2) Defined Benefit Plan:

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur.

Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement.



**Gratuity:** The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15/26 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation. The Company has taken a Group Gratuity cum Life Assurance Scheme with LIC of India for future payment of gratuity to the eligible employees.

**c) Other Long-term Employee Benefits -**

**Compensated Absences:** The Company provides for the encashment of compensated absences with pay subject to certain rules. The employees are entitled to accumulate compensated absences subject to certain limits, for future encashment. Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit and the accumulated leave expected to be carried forward beyond twelve month is treated as long-term employee benefit which are provided based on the number of days of unutilised compensated absence on the basis of an independent actuarial valuation.

**2.09 Taxation**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Income tax expense represents the sum of the tax currently payable and deferred tax.

**Current income tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

**Deferred income taxes**

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset 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. The carrying amount of deferred income 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 income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

The Company recognises interest levied and penalties related to income tax assessments in income tax expenses.

**2.14 Impairment**

**Financial assets (other than at fair value)**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired.

Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction.

For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

**2.15 Inventories**





c) **Stock of Trading Goods**

Stock of trading goods has been stated at cost or net realisable whichever is lower. The cost is determined on Weighted Average Method.

**2.16 Financial instruments**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

**Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

**Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**2.17 Earnings Per Share (EPS)**

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

**2.18 Cash flow statement**

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company.

**2.19 Current/Non-Current Classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle
- It is held primarily for the purpose of trading
- It is expected to be realized within 12 months after the date of reporting period, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after reporting period.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when it satisfies any of the following criteria:

- 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 12 months after the reporting period, or
  - There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period
- Current liabilities include the current portion of long term financial liabilities.

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 and their realization in cash and cash equivalents. The Company has identified 12 months as its operating cycle.

**2.20 Share Capital**

**Ordinary Shares**

Ordinary shares are classified as equity. Incremental costs, if any, directly attributable to the issue of ordinary shares are recognized as a deduction from other equity, net of any tax effects.



Marvel Housing Private Limited  
Notes forming part of the financial statements

Non Current Assets  
Note 3: Other Non Current Assets

Particulars	As at March 31st, 2020	As at March 31st, 2019
(a) MAT Credit Entitlement	641,026	963,312
<b>TOTAL</b>	<b>641,026</b>	<b>963,312</b>

Note No. 4 - Trade receivables\*

A. Current

Particulars	As at March 31st, 2020	As at March 31st, 2019
Trade receivables outstanding for a period of more than 6 months		
(a) Secured, considered good	-	-
(a) Unsecured, considered good	-	-
(b) Doubtful	-	-
Less: Allowance for Credit Losses	-	-
Trade receivables outstanding for a period of less than 6 months		
(a) Secured, considered good	-	-
(a) Unsecured, considered good	1,928,698	8,508,517
(b) Doubtful	-	-
Less: Allowance for Credit Losses	-	-
	1,928,698	8,508,517
Less: Related Unearned Receivables	-	-
<b>TOTAL</b>	<b>1,928,698</b>	<b>8,508,517</b>

Trade Receivables breakup

Particulars	Amount in Rs	
	As at March 31st, 2020	As at March 31st, 2019
Of the above, trade receivables from:		
- Related Parties	1,928,698	8,508,517
- Others	-	-
<b>Total</b>	<b>1,928,698</b>	<b>8,508,517</b>
<b>Current</b>	<b>1,928,698</b>	<b>8,508,517</b>
<b>Non Current</b>		

Current Assets - Financial Asset  
Note 5: Cash and Cash Equivalents

Particulars	As at March 31st, 2020	As at March 31st, 2019
(a) Balances with banks in current accounts	636,649	909,420
(b) Cash In hand	-	-
<b>TOTAL</b>	<b>636,649</b>	<b>909,420</b>

Current Assets - Financial Asset  
Note 6: Other Current Assets

Particulars	As at March 31st, 2020	As at March 31st, 2019
(a) Advances to suppliers	17,355,203	17,355,203
(b) Unbilled Revenue - related party	4,211,554	1,299,547
<b>TOTAL</b>	<b>21,566,757</b>	<b>18,654,750</b>



Marvel Housing Private Limited  
Notes forming part of the financial statements

Note 7: Equity Share Capital

Particulars	As at March 31st, 2020		As at March 31st, 2019	
	No. of shares	Amount in `	No. of shares	Amount in `
<b>Authorised:</b>				
Equity shares of Rs.10/- each with voting rights Issued, Subscribed and Fully Paid:	10,000	100,000	10,000	100,000
Equity shares of ` 10 each with voting rights	10,000	100,000	10,000	100,000

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	As at March 31st, 2020		As at March 31st, 2019	
	Number of Shares	Equity share capital	Number of Shares	Equity share capital
Balance at the beginning of the reporting period	10,000	100,000	10,000	100,000
Changes in equity share capital during the year				
Issue of equity shares under employee share option plan				
Buy-back of equity shares				
Share buy-back costs, net of income tax				
Balance at the end of the reporting period	10,000	100,000	10,000	100,000

(ii) Details of shares held by holding/ultimate holding company

Class of shares / Name of shareholder	As at March 31st, 2020		As at March 31st, 2019	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights Vascon Engineers Limited *	10,000	100	10,000	100.00
(* including shares held by Nominees)				

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31st, 2020		As at March 31st, 2019	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights Vascon Engineers Limited *	10,000	100	10,000	100.00
(* including shares held by Nominees)				

Note 8: Other Equity

Particulars	Reserves and Surplus	
	Retained earnings	Total
Balance at the beginning of the reporting period - As of April 01, 2018	(1,435,778)	(1,435,778)
Transfer to retained earnings	278,355	278,355
Balance at the end of the reporting period 31st March 2020	(1,157,423)	(1,157,423)

Particulars	Reserves and Surplus	
	Retained earnings	Total
Balance at the beginning of the reporting period - As of April 01, 2019	(1,157,424)	(1,157,424)
Transfer to retained earnings	(307,442)	(307,442)
Balance at the end of the reporting period at March 31st, 2020	(1,464,865)	(1,464,865)

The company has issued one class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled for one vote per share held. In the event of liquidation of the company the holder of the equity share will be entitled to receive remaining asset after deducting all its liabilities in proportion to the number of equity shares held.



**Marvel Housing Private Limited**  
**Notes forming part of the financial statements**

**Non Current Liabilities**

**Note 9: Provisions**

	As at March 31st, 2020	As at March 31st, 2019
<b>A. Unsecured Borrowings</b>		
(a) Provision for Gratuity	125,336	72,832
<b>TOTAL</b>	<b>125,336</b>	<b>72,832</b>

**Current Liabilities**

**Note 10: Trade Payables**

Particulars	As at March 31st, 2020	As at March 31st, 2019
Trade payable for goods & services dues to Micro, Small and Medium Enterprises		-
Trade payable for goods & services dues to creditors other than Micro, Small and Medium Enterprises (refer note no.23)	433,214	275,275
payable for salaries and wages	1,845,800	2,358,521
<b>TOTAL</b>	<b>2,279,014</b>	<b>2,633,795</b>

**Current Liabilities**

**Note 11: Other Current Liabilities**

Particulars	As at March 31st, 2020	As at March 31st, 2019
Loans payable on demand from related parties	21,830,149	6,630,149
Loans payable on demand others	372,851	372,851
Statutory dues	3,593,773	6,434,417
Commitment Deposits	-	15,200,000
<b>TOTAL</b>	<b>25,796,773</b>	<b>28,637,417</b>





**Marvel Housing Private Limited**

**Notes forming part of the financial statements**

**Note 12: Revenue from Operations**

Particulars	As at March 31st, 2020	As at March 31st, 2019
<b>Revenue recognized / sales (gross)</b>		
- Contract revenue	36,684,339	31,604,959
Interest Income	-	-
Difference Written Off	6,817	175,080
<b>TOTAL</b>	<b>36,691,156</b>	<b>31,780,039</b>

**Expenses**

**Note 13: Contract Expense**

Particulars	As at March 31st, 2020	As at March 31st, 2019
(a) Salaries and wages, including bonus	26,065,914	22,022,236
(b) Labour Charges	4,450,524	7,584,254
(c) Contribution to provident and other funds	542,175	-
(d) Provision for Gratuity	74,327	78,068
(E) Purchase	683,590	-
<b>TOTAL</b>	<b>31,816,530</b>	<b>29,684,558</b>

**Note 14: Finance Cost**

Particulars	As at March 31st, 2020	As at March 31st, 2019
(a) Interest expense	1,767	706,908
(b) Interest on Tax	452,010	-
<b>TOTAL</b>	<b>453,777</b>	<b>706,908</b>

**Note 15: Other Expenses**

Particulars	As at March 31st, 2020	As at March 31st, 2019
(a) <b>Auditors remuneration and out-of-pocket expenses</b>	<b>150,000</b>	<b>123,000</b>
(i) As Auditors	150,000	123,000
(b) <b>Other expenses</b>	<b>4,414,676</b>	<b>857,190</b>
(i) Legal and other professional costs	3,180,850	61,000
(ii) Bank charges	30,429	20,960
(iii) Miscellaneous Expenses	476,399	483,820
iv) Tools & Hardware Material Purchase	167,789	291,410
v) Donation	500,000	-
vi) Provision for Exp	59,209	-
<b>TOTAL</b>	<b>4,564,676</b>	<b>980,190</b>



Marvel Housing Private Limited  
Notes forming part of the financial statements

Note 16: Disclosures under Ind AS 33

Note	Particulars	As at March 31st, 2020	As at March 31st, 2019
		Per Share	Per Share
	<b>Basic Earnings per share</b>		
	From continuing operations	(32.93)	20.48
	From discontinuing operations	-	-
	<b>Total basic earnings per share</b>	<b>(32.93)</b>	<b>20.48</b>
	<b>Diluted Earnings per share</b>		
	From continuing operations	(32.93)	20.48
	From discontinuing operations	-	-
	<b>Total diluted earnings per share</b>	<b>(32.93)</b>	<b>20.48</b>

**Basic earnings per share**

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Note	Particulars	As at March 31st, 2020	As at March 31st, 2019
	Profit / (loss) for the year attributable to owners of the Company	(329,265)	204,759
	Profit for the year on discontinued operations used in the calculation of basic earnings per share from discontinued operations	-	-
	Profits used in the calculation of basic earnings per share from continuing operations	(329,265)	204,759
	Weighted average number of equity shares	10,000	10,000
	Earnings per share from continuing operations - Basic	(32.93)	20.48
	Earnings per share from discontinuing operations - Basic	-	-

**Diluted earnings per share**

The diluted earnings per share has been computed by dividing the Net profit after tax available for Equity shareholders by the weighted average number of equity shares, after giving dilutive effect of the Stock options for the respective periods. Anti-dilutive effect, if any, has been ignored.

Note	Particulars	As at March 31st, 2020	As at March 31st, 2019
	Profit / (loss) for the year used in the calculation of basic earnings per share	(329,265)	278,355
	Profit for the year on discontinued operations used in the calculation of diluted earnings per share from discontinued operations	-	-
	Profits used in the calculation of diluted earnings per share from continuing operations	(329,265)	278,355
	Weighted average number of equity shares used in the calculation of Diluted EPS	10,000	10,000
	Earnings per share from continuing operations - Dilutive	(32.93)	27.84
	Earnings per share from discontinuing operations - Dilutive	-	-



**Marvel Housing Private Limited**  
**Notes forming part of the financial statements**

**Note 17 A: Contingent liabilities and commitments**

Contingent liabilities (to the extent not provided for)	Amount in `	
	As at March 31st, 2020	As at March 31st, 2019
Contingent liabilities	Nil	Nil
Capital Commitments	Nil	Nil

**Note 17 B:**

The company has accumulated losses of Rs 1464865/- and its net worth has been fully eroded. The companies liabilities of Rs 28201122/- exceeded its assets of Rs.26836257/- as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the financial statements of the company have been prepared on a going concern basis having regard to the continued operating commitments from promoters to fund the operations.

**Note 18 :**

The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. This being an unprecedented event which is difficult to estimate, the actual implications could vary. The economic/social consequences of this event are impacting the very operation of Real Estate Industry. However the management considers the impairment assessment of property, plant and equipment, intangible assets, investments, trade receivables valuation as at 31 March 2020 as recoverable based on its internal and external sources of information and estimates, and its judgments on implication expected to arise from COVID19 pandemic.

**Note 19: Related Party Disclosure:**

I Names of related parties

**1. Holding Company**

Vascon Engineers Limited

**2. Fellow Subsidiaries**

- Vascon Renaissance EPC Limited Liability Partnership
- GMP Technical Solution Private Limited
- Vascon Pricol Infrastructure Limited
- Almet Corporation Limited
- Marathawada Realtors Private Limited

**3. Stepdown Fellow Subsidiaries**

- GMP Technical Solutions Middle East (FZE)

**5. Key Management Personnel**

- Mr. D.Santhanam
- Mr. Krishna Murthy

**Transactions with related parties**

Related party transactions	As at March 31st, 2020	As at March 31st, 2019
<b>(a) Sales</b>		
Vascon Engineers Limited	36,691,156	31,604,959
(including unbilled revenue)		
<b>(b) Advances received during the year</b>		
Vascon Engineers Limited	15,200,000	16,912,558
<b>(c) Payable to</b>		
Vascon Engineers Limited - Loan on demand	21,830,149	6,630,149
Vascon Engineers Limited - as customer advance	(1,928,698)	(8,508,517)

**Note:20**

Deferrred tax Assets(net)

In absence of probable certainty of taxable income in subsequent years no provision of deferred tax assets has been made.

**Components of Deferred Tax assets**

	As at March 31st, 2020	As at March 31st, 2019
on account of fixed assets		
on account of others	526,337	78,068
Deferred tax assets provided on above	136848	19650



**Marvel Housing Private Limited**  
**Notes forming part of the financial statements**

**Note No. - 21 Financial Instruments and Risk Review**

**Financial Risk Management Framework**

Marvel Housing Pvt Ltd is exposed primarily to credit risk, liquidity risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

**i) Credit Risk**

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade payables and borrowings. None of the financial instruments of the Company result in material concentration of credit risk.

**Trade receivables**

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Company's exposure to customers is diversified and some customer contributes more than 10% of outstanding accounts receivable as of March 31, 2018 and March 31, 2017. however there was no default on account of those customer in the past. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Before accepting any new customer, the Company uses an external/internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on periodic basis.

The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows.

Movement in the expected credit loss allowance:

Particulars	As at March 31st, 2020	As at March 31st, 2019
Balance at the beginning of the period/year		
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses		
Balance at the end of the period/year		



**Marvel Housing Private Limited**  
**Notes forming part of the financial statements**

**Note - 23: Additional Information to the Financial Statements**

**23 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	As at March 31st,	As at March 31st,
	2020	2019
(i) Principal amount remaining unpaid to MSME suppliers as on	Nil	Nil
(ii) Interest due on unpaid principal amount to MSME suppliers as on	Nil	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day	Nil	Nil
(iv) The amount of interest due and payable for the year (without adding the interest under MSME Development Act)	Nil	Nil
(v) The amount of interest accrued and remaining unpaid as on	Nil	Nil
(vi) The amount of interest due and payable to be disallowed under Income Tax Act, 1961	Nil	Nil

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**24 Expenditure in foreign currency on account of :**

	As at March 31st,	As at March 31st,
	2020	2019
Earnings	-	-
Expenditure	-	-

**25 Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/disclosure.**

In terms of our report attached.

For Chandrashekar Iyer & Co  
Chartered Accountants  
Firm Registration No. 114250W

*[Signature]*

Chandrashekar Iyer  
Partner  
Membership No.047723  
Place: Thane  
Date: JUNE 9, 2020



For and on behalf of the Board of Directors

*[Signature]*

D Santhanam  
Director  
DIN :00226569  
Place: Pune  
Date: JUNE 9, 2020

*[Signature]*

Krishnamurthy M  
Director  
DIN :00037763  
Place: Pune  
Date: JUNE 9, 2020