

**CHANDRASHEKHAR IYER & CO**  
**CHARTERED ACCOUNTANTS**



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**Independent Auditor's Report**

To the Members of MARVEL HOUSING PRIVATE LIMITED

**Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of MARVEL HOUSING PRIVATE LIMITED ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as " Ind AS financial statements").

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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. 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

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safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit and to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting.

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 the Ind AS financial statements are free from material misstatement and whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements and 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 risk of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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 and the Ind AS financial statements.



### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls 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 Ind AS 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 and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Other Matter:

The Financial information of the company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting standards) Rules, 2006 (as amended) of which March 31, 2016



were audited by us and we have expressed an unmodified opinion dated May 9, 2016 and March 31, 2015 audited by other auditors who have expressed unmodified opinion dated May 10, 2015 respectively. The adjustments to those financial statements for the difference in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
  - e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) In our opinion considering nature of business, size of operation and organizational structure of the entity, 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 2017, 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.

- g) 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, 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 which would impact on 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
  - iv. the Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 19 to the Ind AS financial statements.

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

  
(Chandrashekhar Iyer)  
Proprietor  
Membership No.47723

Thane

26 MAY 2017

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2017, we report that:

- 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.

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- 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, 2017 for a period of more than six months from the date they became payable except the following:

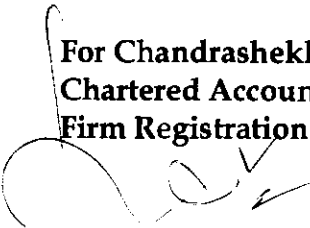
Name of the statute	Nature of dues	Amount in Rs	Period to which relates	Due Date
Income tax act	TDS	2,54,850	Fy 2016-17	07.07.2016

- 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 Chandrashekhar Iyer & Co  
Chartered Accountants  
Firm Registration No. 114260W

  
(Chandrashekhar Iyer)  
Proprietor  
Membership No.47723  
Thane

Date: 26 MAY 2017



**Mar. el Housing Private Limited**  
**Balance Sheet as on ended March 31, 2017**

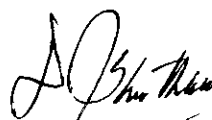
Particulars		Note No.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>A</b>	<b>ASSETS</b>				
1	<b>Non-current assets</b>				
	(a) Other non-current assets	3	239,421	127,433	127,433
	<b>Total Non - Current Assets</b>		<b>239,421</b>	<b>127,433</b>	<b>127,433</b>
2	<b>Current assets</b>				
	(a) Financial Assets				
	(i) Cash and cash equivalents	4	200,490	7,370	7,260
	(b) Other current assets	5	38,790,475	3,800,000	-
	<b>Total Current Assets</b>		<b>38,990,965</b>	<b>3,807,370</b>	<b>7,260</b>
	<b>Total Assets (1+2)</b>		<b>39,230,386</b>	<b>3,934,803</b>	<b>134,693</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>				
1	<b>Equity</b>				
	(a) Equity Share capital	6	100,000	100,000	100,000
	(b) Other Equity	7	(5,594,256)	(3,507,510)	(3,455,059)
	<b>Equity attributable to owners of the Company (I)</b>		<b>(5,494,256)</b>	<b>(3,407,510)</b>	<b>(3,355,059)</b>
2	<b>LIABILITIES</b>				
	<b>Non-current liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	8	22,294,630	-	-
	<b>Total Non - Current Liabilities</b>		<b>22,294,630</b>	<b>-</b>	<b>-</b>
3	<b>Current liabilities</b>				
	(a) Financial Liabilities				
	(i) Trade payables	9	704,868	48,876	72,185
	(b) Other current liabilities	10	21,725,144	7,293,437	3,417,567
	<b>Total Current Liabilities</b>		<b>22,430,012</b>	<b>7,342,313</b>	<b>3,489,752</b>
	<b>Total Equity and Liabilities (1+2+3)</b>		<b>39,230,386</b>	<b>3,934,803</b>	<b>134,693</b>
	<b>See accompanying notes to the financial statements</b>	3-25			

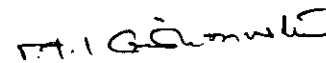
In terms of our report attached.

For and on behalf of the Board of Directors


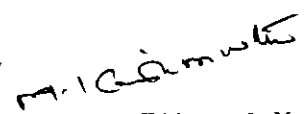
For Chandrasekhar Iyer & Co  
Chartered Accountants

Chandrasekhar Iyer  
Proprietor  
Membership No.047723  
Place: Pune  
Date: 26 MAY 2017

  
**D Santhanam**  
Director  
DIN :00226569  
Place: Pune  
Date:

  
**Krishnamurthy M**  
Director  
DIN :00037763  
Place: Pune  
Date:

Marvel Housing Private Limited  
Statement of Profit and Loss for the Year ended March 31, 2017

Particulars	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
<b>Continuing Operations</b>			
I Revenue from operations	11	5,726,744	-
<b>II Total Revenue</b>		<b>5,726,744</b>	<b>-</b>
<b>III EXPENSES</b>			
(a) Employee benefit expense	12	5,063,302	-
(b) Finance costs	13	2,573,560	-
(c) Other expenses	14	176,628	52,451
<b>IV Total Expenses</b>		<b>7,813,490</b>	<b>52,451</b>
<b>V Profit/(loss) before exceptional items and tax (II - IV)</b>		<b>(2,086,746)</b>	<b>(52,451)</b>
<b>VI Exceptional Items</b>		-	-
<b>VII Profit/(loss) before tax (V - VI)</b>		<b>(2,086,746)</b>	<b>(52,451)</b>
<b>VIII Tax Expense</b>			
(1) Current tax		-	-
(2) Deferred tax		-	-
(3) (Excess) / Short provision for tax of earlier years		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
<b>IX Profit/(loss) after tax from continuing operations (VII - VIII)</b>		<b>(2,086,746)</b>	<b>(52,451)</b>
<b>X Discontinued Operations</b>			
(1) Profit/(loss) from discontinued operations		-	-
(2) Tax Expense of discontinued operations		-	-
<b>XI Profit/(loss) after tax from discontinued operations (XII + XIII)</b>		<b>-</b>	<b>-</b>
<b>XII Profit/(loss) for the period (IX + XI)</b>		<b>(2,086,746)</b>	<b>(52,451)</b>
<b>XIII Other comprehensive income</b>			
<b>XIV Total comprehensive income for the period (XII + XIII)</b>		<b>(2,086,746)</b>	<b>(52,451)</b>
<b>XV Total comprehensive income for the period attributable to:</b>			
Owners of the Company		-	-
Non controlling interests		-	-
<b>XVI Earnings per equity share (for continuing operation):</b>			
(1) Basic	15	(208.67)	(5.25)
(2) Diluted	15	-	-
<b>XVII Earnings per equity share (for discontinued operation):</b>			
(1) Basic	15	-	-
(2) Diluted	15	-	-
<b>XVIII Earnings per equity share (for continuing and discontinued operations):</b>			
(1) Basic	15	(209)	(5.25)
(2) Diluted	15	-	-
See accompanying notes to the financial statements	3-25		
In terms of our report attached.		For and on behalf of the Board of Directors	
For Chandrashekhar Iyer & Co Chartered Accountants			
Chandrashekhar Iyer Proprietor Membership No.047723 Place: Pune Date: 26 MAY 2017		D Santhanam Director DIN :00226569 Place: Pune Date:	Krishnamurthy M Director DIN :00037763 Place: Pune Date:

**Marvel Housing Private Limited**  
**Cash Flow Statement as on March 31, 2017**

**Cash Flow Statement - Indirect Method**

Particulars	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
<b>Cash flows from operating activities</b>			
Profit before tax for the year	PL	(2,086,746)	(52,451)
Adjustments for:			
Finance costs recognised in profit or loss		2,573,560	
<b>Cash flows from operating activities before working capital changes</b>		486,814	(52,451)
Movements in working capital:			
(Increase)/decrease in other assets		(34,990,475)	(3,800,000)
Increase/(Decrease) in trade and other payables		15,087,699	3,852,561
<b>Cash generated from operations</b>		(19,415,962)	110
Income taxes paid		111,988	
<b>Net cash generated by operating activities</b>		(19,527,950)	110
<b>Cash flows from investing activities</b>			
Net cash (used in)/generated after investing activities		(19,527,950)	110
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		22,294,630	-
Interest paid		(2,573,560)	
<b>Net cash used in financing activities</b>		193,120	110
<b>Net increase in cash and cash equivalents</b>			
Cash and cash equivalents at the beginning of the year		7,370	7,260
Cash and cash equivalents at the end of the year		200,490	7,370
<b>Net Cash used during the year</b>		(193,120)	(110)

In terms of our report attached.

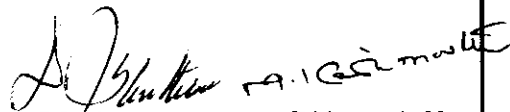
For and on behalf of the Board of Directors

For Chandrashekhar Iyer & Co  
Chartered Accountants

Chandrashekhar Iyer  
Proprietor  
Membership No.047723

Place: Pune

Date: 26 MAY 2017



D Sathyanam  
Director  
DIN :00226569  
Place: Pune  
Date:

Krishnamurthy M  
Director  
DIN :00037763  
Place: Pune  
Date:

**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. Previous period numbers in the financial statements have been restated to Ind AS. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at March 31, 2016 and April 1, 2015 and of the Other comprehensive income for the year ended March 31, 2016 and April 1, 2015.

**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 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.

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**(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 months 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.

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## **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.

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

**Non Current Assets**  
**Note 3: Other Non Current Assets**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Advance Income Tax ( Net of Provision for tax)	1,11,988		
(b) MAT Credit Entitlement	1,27,433	1,27,433	1,27,433
<b>TOTAL</b>	<b>2,39,421</b>	<b>1,27,433</b>	<b>1,27,433</b>

**Current Assets - Financial Asset**  
**Note 4: Cash and Cash Equivalents**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>A) Current Cash and bank balances</b>			
(a) Balances with banks in current accounts	1,97,275	7,370	7,260
(b) Cash in hand	3,215	-	-
<b>TOTAL</b>	<b>2,00,490</b>	<b>7,370</b>	<b>7,260</b>

**Current Assets - Financial Asset**  
**Note 5: Other Current Assets**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Advances to suppliers	3,75,70,556	38,00,000	-
(b) Unbilled Revenue - related party	12,19,919		
<b>TOTAL</b>	<b>3,87,90,475</b>	<b>38,00,000</b>	<b>-</b>

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Marvel Housing Private Limited  
Notes forming part of the financial statements

Note 6: Equity Share Capital

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹	No. of shares	Amount in ₹
<b>Authorised:</b>						
Equity shares of Rs.10/- each with voting rights	10,000	1,00,000	10,000	1,00,000	10,000	1,00,000
<b>Issued, Subscribed and Fully Paid:</b>						
Equity shares of ₹ 10 each with voting rights	10,000	1,00,000	10,000	1,00,000	10,000	1,00,000

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

Particulars	Number of Shares	Equity share capital
<b>Issued and Paid up Capital at April 1, 2015</b>	10,000	1,00,000
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan	-	-
Fresh issue on account of rights issue during the year	-	-
<b>Balance at March 31, 2016</b>	10,000	1,00,000
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		
<b>Balance at March 31, 2017</b>	10,000	1,00,000

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

Class of shares / Name of shareholder	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of shares held	% holding in that class of shares	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 * (* including shares held by Nominees)	10,000	100	10,000	100.00	10,000	100.00

**Note 7: Other Equity**

Particulars	Reserves and Surplus	
	Retained earnings	Total
Balance at the beginning of the reporting period - As of April 01, 2015	(34,55,059)	(34,55,059)
Transfer to retained earnings	(52,451)	(52,451)
Balance at the end of the reporting period	(35,07,510)	(35,07,510)

Particulars	Reserves and Surplus	
	Retained earnings	Total
Balance at the beginning of the reporting period - As of April 01, 2016	(35,07,510)	(35,07,510)
Transfer to retained earnings	(20,86,746)	(20,86,746)
Balance at the end of the reporting period	(55,94,256)	(55,94,256)

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.

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Marvel Housing Private Limited  
Notes forming part of the financial statements

Non Current Liabilities  
Note 8: Borrowings

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
<b>A. Unsecured Borrowings</b>			
(a) Inter Corporate Deposits (Repayable after 24 months together with interest @16.5% p.a)	2,22,94,630	-	-
<b>TOTAL</b>	<b>2,22,94,630</b>	<b>-</b>	<b>-</b>

Current Liabilities  
Note 9: Trade Payables

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
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)	1,36,187	48,876	72,185
payable for salaries and wages	5,68,681	-	-
<b>TOTAL</b>	<b>7,04,868</b>	<b>48,876</b>	<b>72,185</b>

Current Liabilities

Note 10: Other Current Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Advances received from customers	18,831	-	-
Loans payable on demand from related parties	2,08,26,195	72,93,437	34,13,437
Statutory dues	7,28,324	-	4,130
Employee Recoveries and Employer Contributions	1,51,794	-	-
<b>TOTAL</b>	<b>2,17,25,144</b>	<b>72,93,437</b>	<b>34,17,567</b>

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

**Note 11: Revenue from Operations**

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
<i>Revenue recognized / sales (gross)</i>		
- Contract revenue	57,26,744	-
<b>TOTAL</b>	<b>57,26,744</b>	<b>-</b>

**Expenses**

**Note 12: Employee Benefits Expense**

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(a) Salaries and wages, including bonus	44,81,828	-
(b) Contribution to provident and other funds	5,81,474	-
<b>TOTAL</b>	<b>50,63,302</b>	<b>-</b>

**Note 13: Finance Cost**

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(a) Interest expense	25,73,560	-
<b>TOTAL</b>	<b>25,73,560</b>	<b>-</b>

**Note 14: Other Expenses**

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(a) Rates and taxes	-	690
(b) <b>Auditors remuneration and out-of-pocket expenses</b>	<b>11,500</b>	<b>30,000</b>
(i) As Auditors	11,500	30,000
(ii) For Other services	-	-
(iii) Auditors out-of-pocket expenses	-	-
(c) <b>Other expenses</b>	<b>1,65,128</b>	<b>21,761</b>
(i) Legal and other professional costs	58,700	18,558
(ii) Bank charges	4,149	703
(iii) Miscellaneous Expenses	1,02,279	2,500
<b>TOTAL</b>	<b>1,76,628</b>	<b>52,451</b>

Note 26: Disclosures under Ind AS 33

Note	Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
		₹	₹
		Per Share	Per Share
	<b>Basic Earnings per share</b>		
	From continuing operations	(208.67)	(5.25)
	From discontinuing operations	-	-
	<b>Total basic earnings per share</b>	<b>(208.67)</b>	<b>(5.25)</b>
	<b>Diluted Earnings per share</b>		
	From continuing operations	(208.67)	(5.25)
	From discontinuing operations	-	-
	<b>Total diluted earnings per share</b>	<b>(208.67)</b>	<b>(5.25)</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	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Profit / (loss) for the year attributable to owners of the Company	(20,86,746)	(52,451)
	Profit for the year on discontinued operations used in the calculation of basic earnings per share from discontinued operations	-	-
	<b>Profits used in the calculation of basic earnings per share from continuing operations</b>	<b>(20,86,746)</b>	<b>(52,451)</b>
	Weighted average number of equity shares	10,000	10,000
	Earnings per share from continuing operations - Basic	-208.67	(5.25)
	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	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Profit / (loss) for the year used in the calculation of basic earnings per share	(20,86,746)	(52,451)
	Profit for the year on discontinued operations used in the calculation of diluted earnings per share from discontinued operations	-	-
	<b>Profits used in the calculation of diluted earnings per share from continuing operations</b>	<b>(20,86,746)</b>	<b>(52,451)</b>
	<b>Weighted average number of equity shares used in the calculation of Diluted EPS</b>	<b>10,000</b>	<b>10,000</b>
	Earnings per share from continuing operations - Dilutive	(208.67)	(5.25)
	Earnings per share from discontinuing operations - Dilutive	-	-

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

**Note No. - 16 First-time adoption of Ind-AS**

These financial statements, for the year ended March 31, 2017, are the first the Company has prepared in accordance with Ind-AS. For periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with statutory reporting requirement in India immediately before adopting Ind AS ('previous GAAP').

Accordingly, the Company has prepared financial statements which comply with Ind-AS applicable for periods ending on or after March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2015, the Company's date of transition to Ind-AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2015 and the financial statements as at and for the year ended March 31, 2016.

This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the opening Balance sheet as at April 01, 2015 and the financial statements for the year ended March 31, 2016.

**Exception to retrospective application**

**(a) Estimate**

The estimates at April 01, 2015, and at March 31, 2016 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies) apart from the items where application of previous GAAP did not require estimation. The Company has elected to apply change in estimates prospectively from the date of transition to Ind AS:

- Provision for doubtful debt;
- Estimate of useful life and residual value of fixed assets.

**Exemption from retrospective application:**

The Company has applied the following exemptions:

**(a) Investments in subsidiaries, joint ventures and associates**

The Company has elected to adopt the carrying value under previous GAAP as on the date of transition i.e. April 01, 2015 in its separate financial statements.

**(b) Business Combination**

Ind AS 103, Business Combinations, has not been applied to acquisitions of subsidiaries, which are considered as "businesses" for Ind AS, or of interests in associates and joint ventures that occurred before April 01, 2015. Use of this exemption means that the previous GAAP carrying amounts of assets and liabilities, which are required to be recognised under Ind AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with Ind AS.

Assets and liabilities that do not qualify for recognition under Ind AS are excluded from the opening Ind AS Balance sheet. The Company did not recognise or exclude any previously recognised amounts as a result of Ind AS recognition requirements.



Marvel Housing Private Limited  
Notes forming part of the financial statements

Note No. - 16A First-time adoption Reconciliations

(i) Reconciliation of equity and P&L as previously reported under Indian GAAP to IND AS

Particulars	Notes	As at 01/04/2015 (Date of Transition)	As at 31/3/2016 (end of last period presented under previous GAAP)
Equity as reported under previous GAAP		1,00,000	1,00,000
<b>Ind AS: Adjustments increase (decrease):</b>			
Retained earnings		(34,55,059)	(35,07,510)
<b>Equity as reported under IND AS</b>		<b>(33,55,059)</b>	<b>(34,07,510)</b>

Reconciliation of profit

PARTICULARS	Notes	Year ended 31/3/2016 latest period presented under previous GAAP)	
		Profit before Tax	Profit for the year
Previous GAAP		(52,451)	
<b>Ind AS: Adjustments increase (decrease):</b>			
Total adjustment to profit or loss		-	
Profit or loss under Ind AS		(52,451)	
Other comprehensive income		-	
<b>Total comprehensive income under Ind ASs</b>		<b>(52,451)</b>	

Note: No statement of comprehensive income was produced under previous GAAP. Therefore the reconciliation at A.4 starts with profit under previous GAAP.

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## (ii) Reconciliation of equity and P&amp;L as previously reported under india GAAP to IND AS

	Particulars	Notes	As at 01/04/2015 (Date of Transition)			As at 31/3/2016 (end of last period presented under previous GAAP)		
			Previous GAAP	Effect of transition to Ind AS	Opening Ind AS balance sheet	Previous GAAP	Effect of Transition to Ind AS	Ind AS
<b>A</b>	<b>ASSETS</b>							
1	<b>Non-current assets</b>							
	(i) Other non-current assets		1,27,433	-	1,27,433	1,27,433	-	1,27,433
	<b>Total Non - Current Assets</b>		1,27,433	-	1,27,433	1,27,433	-	1,27,433
2	<b>Current assets</b>							
	(i) Cash and cash equivalents		7,260	-	7,260	7,370	-	7,370
	(ii) Other current assets		-	-	-	38,00,000	-	38,00,000
	<b>Total Current Assets</b>		7,260	-	7,260	38,07,370	-	38,07,370
	<b>Total Assets (1+2)</b>		1,34,693	-	1,34,693	39,34,803	-	39,34,803
<b>B</b>	<b>EQUITY AND LIABILITIES</b>							
1	<b>Equity</b>							
	(a) Equity Share capital		1,00,000	-	1,00,000	1,00,000	-	1,00,000
	(b) Convertible non-participating preference share capital							
	(c) Other Equity excluding non-controlling interests	(b)	(34,55,059)	-	(34,55,059)	(35,07,510)	-	(35,07,510)
	Equity attributable to owners of the Company (I)		(33,55,059)	-	(33,55,059)	(34,07,510)	-	(34,07,510)
	Non-controlling interests (II)							
	<b>Total equity (I+II)</b>		(33,55,059)	-	(33,55,059)	(34,07,510)	-	(34,07,510)
	<b>LIABILITIES</b>							
2	<b>Non-current liabilities</b>							
	(a) Financial Liabilities							
	(i) Borrowings		-	-	-	-	-	-
3	<b>Current liabilities</b>							
	(a) Financial Liabilities							
	(i) Trade payables		72,185	-	72,185	48,876	-	48,876
	(b) Current Tax Liabilities (Net)		34,17,567	-	34,17,567	72,93,437	-	72,93,437
	<b>Total Equity and Liabilities (1+2+3)</b>		1,34,693	-	1,34,693	39,34,803	-	(33,58,634)

Reconciliation of profit or loss for the year ended March 31, 2016

			Year ended 31/3/20X6 latest period presented under previous GAAP)		
	Particulars	Notes	Previous GAAP	Effect of transition to Ind AS	Ind AS
I	Revenue from operations				
II	Other Income				
III	Interest Income				
IV	<b>Total Revenue (I + II + III)</b>				
V	<b>EXPENSES</b>				
	(a) Other expenses		52,451		52,451
	<b>Total Expenses (V)</b>		52,451		52,451
VI	Share of profit / (loss) of joint ventures and associates				
	(1) Share of profit / (loss) of joint ventures				
	(2) Share of profit / (loss) of associates				
VII	<b>Profit/(loss) before exceptional items and tax (IV - V + VI)</b>		(52,451)		(52,451)
VIII	Exceptional Items				
IX	<b>Profit/(loss) before tax (VII - VIII)</b>				
X	<b>Tax Expense</b>				
	(1) Current tax				
	(i) Current tax				
	(ii) Current tax relating to previous years				
	(2) Deferred tax				
	(i) Deferred tax				
	(ii) Deferred tax relating to previous years	(b)			
	<b>Total tax expense</b>				
XI	<b>Profit/(loss) after tax from continuing operations (IX - X)</b>		(52,451)		(52,451)
XII	Profit/(loss) after tax from discontinued operations				
XIII	Profit/(loss) on disposal of discontinued operations				
XIV	<b>Profit/(loss) after tax from discontinued operations (XII + XIII)</b>				
XV	<b>Profit/(loss) for the period (XI + XIV)</b>		(52,451)		(52,451)
XVI	<b>Profit/(Loss) from continuing operations for the period attributable to:</b>				
	Owners of the Company		(52,451)		(52,451)
	Non controlling interests				
XVII	<b>Profit/(Loss) from discontinued operations for the period attributable to:</b>				
	Owners of the Company				
	Non controlling interests				
XVIII	<b>Other comprehensive income</b>				
XIX	<b>Total comprehensive income for the period (XV + XVIII)</b>				
XX	<b>Total comprehensive income for the period attributable to:</b>				
	Owners of the Company		(52,451)		(52,451)
	Non controlling interests				
XXI	<b>Earnings per equity share (for continuing operation):</b>				
	(1) Basic		(5.25)		(5.25)
	(2) Diluted				
XXII	<b>Earnings per equity share (for discontinued operation):</b>				
	(1) Basic				
	(2) Diluted				
XXIII	<b>Earnings per equity share (for continuing and discontinued operations):</b>				
	(1) Basic		(5.25)		(5.25)
	(2) Diluted				

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

**Note 17: Contingent liabilities and commitments**

Contingent liabilities (to the extent not provided for)	Amount in ₹		
	As at 31 March, 2017	As at 31 March, 2016	As at April 1, 2015
Contingent liabilities	Nil	Nil	Nil
Capital Commitments	Nil	Nil	Nil

**Note 18:**

The company has accumulated losses of Rs 5594256/- and its net worth has been fully eroded. The company has been continuously incurring losses and the companies liabilities of Rs4,44,69,792 /- exceeded its assets of Rs 3,87,36,115/- 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 19:**

**Details of Specified Bank Notes (SBNs) held and transacted during the period 08/11/2016 to 30/12/2016 are provided in the table below:**

	SBNs	Other Denomination Notes	Total
Closing Cash on Hand as on 08.11.2016	12,000.00	22,500.00	34,500.00
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amounts Deposited in Banks	-12,000.00	-	-12,000.00
Closing Cash on Hand as on 30.12.2016	-	22,456.00	22,456.00

**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 31, 2017	As at March 31, 2016	As at April 1, 2015
on account of fixed assets			
on account of accumulated business losses	73,02,081.00	52,15,335.00	51,62,884.00

Deferred tax assets provided on above	Nil	Nil	Nil
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**Note 20A Other Disclosures**

Events after the reporting period

Ind AS 10.21	Following are the material events occurred after the balance sheet date but before the approval of financial statements by board of directors.  Nil
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The company has not performed CSR activities as mentioned in Section 135 read with companies ( Corporate Social responsibility )Rules 2014(CSR rules) and Notification and circulars issued by the ministry during the financial year as the company is not within the criteria of 'Qualifying company'.

**Disclosure of particulars of contract revenue as required by Accounting Standard 11 For the year ended 31 March, 2017 For the year ended 31 March, 2016**

	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Contract Revenue Recognized during the year	-	-
Contract costs incurred during the year	-	-
Recognized Profit	-	-
Advances received for contracts in progress	-	-
Retention money for contracts in progress	-	-
Gross amount due from customer for contract work ( assets )	-	-
Gross amount due to customer for contract work ( liability )	-	-

Segment information has been presented in the Consolidated Financial Statements as permitted by Indian Accounting Standard (Ind AS) 108 on operating segment as notified under the Companies (Indian Accounting Standards) Rules, 2015.

The company enters into "domestic transactions" with specified parties that are subject to the Transfer Pricing regulations under the Income Tax Act, 1961 ('regulation'). The pricing of such domestic transactions will need to comply with Arm's length principle under the regulations. These regulations, inter alia, also required the maintenance of prescribed documents and information including furnishing a report from an accountant which is to be filed with the Income tax authorities.

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

**Note No 21 : Related Party Transactions**

**I Names of related parties**

**1. Fellow Subsidiaries**

- Greystone Premises Pvt Ltd
- Vascon Dwellings Private Limited
- IT CITI Info Park Private Limited
- Windflower Properties Private Limited
- GMP Technical Solution Private Limited
- Floriana Properties Private Limited
- Vascon Pricol Infrastructure Limited
- Almet Corporation Limited
- Marathawada Realtors Private Limited
- Just Homes (India) Private Limited
- GMP Technical Solutions Middle East (FZE)
- Sunflower Real Estate Developers Pvt Ltd
- Angelica Properties Private Limited ]
- Shreyas strategists Private limited
- Sansara Development India Private limited
- GMP Technical Services LLC

**2. Joint Ventures**

- Phoenix Ventures
- Cosmos Premises Private Limited
- Ajanta Enterprises
- Vascon Qatar WLL

**3. Associates**

- Mumbai Estate Private Limited

**4. Key Management Personnel**

- Mr. D.Santhanam
- Mr.M.Krishnamurthi

**5. Relatives of Key Management Personnel**

**6. Establishments where in which individuals in serial number (4) and (5) exercise significant Influence**

- D. Santanam (HUF)
- M krishnamurthi (HUF)

**II Related party transactions**

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
<b>(a) Sales and work</b>	<b>57,26,744</b>	-	-
<b>(b) Interest Income</b>	-	-	-
<b>(c) Interest Expense</b>	-	-	-
<b>(d) Purchase of Goods / Work/Rent</b>	-	-	-

(e) Receiving of Services	-	-	-
(f) Share of Profit from AOP/Firm	-	-	-
(g) Share of Loss from AOP/Firm	-	-	-
(h) Reimbursement of expenses	-	-	-
(i) Finance Provided (including equity contributions in cash or in kind)/repayment of loan/repayment of fixed deposit	-	-	-
(j) Finance availed /Received back(including equity contributions in cash or in kind)	3,43,77,784	72,93,437	34,13,437
(k) Outstanding corporate / bank guarantees given	-	-	-
(l) Project Advance Outstanding as on	-	-	-
(m) Project Advance Received	-	-	-
(n) Project Advance Repaid	-	-	-

**Notes:-**

i) Related party relationships are as identified by the Company on the basis of information available and accepted by the auditors.

ii) No provision have been made in respect of receivable from related party as at March 31, 2017.

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

**Note No. - 22 Financial Instruments and Risk Review**

**Financial Risk Management Framework**

Floriana Properties 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, 2017, March 31, 2016 and April 01, 2015, 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 31, 2017	As at March 31, 2016	As at April 01, 2015
Balance at the beginning of the period/year			
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected			
Balance at the end of the period/year			



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

**Note 22A : Significant estimates and assumptions**

**Estimates and Assumptions**

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and 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.

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 will be reflected in the assumptions when they occur.

**Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or Cash Generating Unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amounts sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

**Defined Benefit Plans (Gratuity Benefits)**

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 in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. 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.

Details about gratuity obligations are given in Note 34.

**Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, the fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value target and the discount factor.

The Company has valued its financial instruments through profit & loss which involves significant judgements and estimates such as cash flows for the period for which the instrument is valid, EBITDA of investee company, fair value of share price of the investee company on meeting certain requirements as per the agreement, etc. The determination of the fair value is based on expected discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor.

**Note No. - 22B Fair Value**

Set out below is the comparison by class of the carrying amounts and fair value of the Company's financial instruments

Particulars	Carrying amount			Fair Value		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
<b>FINANCIAL ASSETS</b>						
<b>Financial assets measured at amortised cost</b>						
(a) Security Deposits						
(b) Foreign Exchange Adjustment						
(c) Deposit under protest						
(d) Non current investment - Subsidiaries						
(e) Other non current investment						
(f) Trade receivable						
(g) Loans to employees						
(h) Interest accrued on deposits						
(i) Cash in hand	3,215	-	-	3,215	-	-
(j) Balance with banks in current account	1,97,275	7,370	7,260	1,97,275	7,370	7,260
(l) Balance held as Margin money against borrowings						
<b>Financial assets measured at fair value through Statement of Profit &amp;</b>						
(a) Current investments						
(b) Non Current Investments quoted						
<b>FINANCIAL LIABILITIES</b>						
<b>Financial liabilities measured at amortised cost</b>						
(a) Non Current Borrowing						
(b) Current Borrowing						
(c) Security deposits received from dealers						
(d) Retention money						
(e) Current maturities of long-term debt						
(f) Interest accrued but not due on borrowings						
(g) Payables on purchase of property plant & equipment						
(h) Trade Payable	7,04,868	48,876	72,185	7,04,868	48,876	72,185

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short - term maturities of these instruments. 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.

The Company determines fair values of financial assets and financial liabilities by discounting the contractual cash inflows/outflows using prevailing interest rates of financial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value. The fair value of investment is determined using quoted net assets value from the fund. Further, the subsequent measurement of all financial assets and liabilities (other than investment in mutual funds) is at amortised cost, using the effective interest method.

**Discount rates used in determining fair value**

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of the borrower which in case of financial liabilities is the weighted average cost of borrowing of the Company and in case of financial assets is the average market rate of similar credit rated instrument.

The Company maintain policies and procedure to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuation, including independent price validation for certain instruments.

Fair value of financial assets and liabilities is the amount 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, regardless of whether that price is directly observable or estimated using another valuation technique.

The following methods and assumptions were used to estimate fair value:

- Fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments.
- Security deposit paid are evaluated by the Company based on parameters such as interest rate non performance risk of the customer. The fair value of the Company's security deposit paid are determined by estimating the incremental borrowing rate of the borrower (primarily the landlords). Such rate has been determined using discount rate that reflects the average interest rate of borrowing taken by similar credit rate companies where the risk of non performance risk is more than significant.
- Fair value of quoted mutual funds is based on the net assets value at the reporting date. The fair value of other financial liabilities as well as other non current financial liabilities is estimated by discounting future cash flow using rate currently applicable for debt on similar terms, credit risk and remaining maturities.
- The fair value of the Company's interest bearing borrowing received are determined using discount rate that reflects the entity's borrowing rate as at the end of the reporting period. The own non performance risk as at the reporting was assessed to be insignificant.

**Fair value hierarchy**

All financial instruments for which fair value is recognised or disclosed 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) price is active market for identical assets or liabilities.

Level 2: Valuation technique for which the lowest level input that has a significant effect on the fair value measurement are observed , either directly or indirectly.

Level 3: Valuation technique for which the lowest level input has a significant effect on the fair value measurement is not based on observable market data.

During the year ended March 31, 2017, there were no transfer between Level 1 and Level 2 fair value measurement and no transfer into and out of Level 3 fair value

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	31 March, 2017	31 March, 2016
		₹	₹
	(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 :		For the year ended 31 March, 2017	For the year ended 31 March, 2016
		₹	₹
Earnings		-	-
Expenditure		-	-

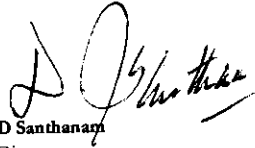
25 Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/disclosure.

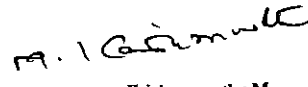
In terms of our report attached.

For and on behalf of the Board of Directors

For Chandrasekhar Iyer & Co  
Chartered Accountants

  
Chandrasekhar Iyer  
Proprietor  
Membership No.047723  
Place: Pune  
Date: 26 MAY 2017

  
D Santhanam  
Director  
DIN :00226569  
Place: Pune  
Date:

  
Krishnamurthy M  
Director  
DIN :00037763  
Place: Pune  
Date: