INDEPENDENT AUDITOR'S REPORT

To the Members of Madhyam Housing Pvt. Ltd.

Report on Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Madhyam Housing Private Limited (hereinafter referred to as "the Holding Company") and its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act")that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent: and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group ,its associates and jointly controlled entities as at 31st March, 2020, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
   d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      (i) There were no pending litigations which would impact the consolidated financial position of the Group, its associates and jointly controlled entities.
      (ii) The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
      (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For **VSPG & Associates**
Chartered Accountants
(ICAI Firm Registration No. 031775N)

Vimal Saini

Vimal Kumar Saini
Membership No: 515915
Place: New Delhi
Date: 5th September 2020
ICAI UDIN: 20515915AAAAES3401

Annexure A referred to in the Independent Auditor's Report to the Members of Madhyam Housing Private Limited (Group) on the financial statements for the year ended 31 March 2020. We report that:

(i) (a) The Group has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Group has a regular programme of physical verification of its fixed assets by which all fixed assets are verified over a period of two years. In accordance with the said programme, certain fixed assets were physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Group 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 Group, title deeds of immovable properties are held in the name of the Group.

(ii) The inventory, except stock lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.

(iii) According to the information and explanations given to us, the Group 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, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Group, the provisions of section 185 and 186 of the Act are not applicable. Accordingly, paragraph 3(iv) of the Order is not applicable.

(v) According to the information and explanation given to us, the Group has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed therein. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of account maintained by the Group pursuant to the rules specified by the Central Government for maintenance of cost records under section 148(1) of the Act, in respect of its products and are of opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Group, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Goods and Services tax(GST) and other material statutory dues have generally been regularly deposited during the year by the Group with the appropriate authorities, though there have been slight delays in few cases of Income-tax and serious delays in the case of Provident fund. As explained to us, the Group did not have any dues on account of Cess, Duty of excise, Sales tax, Service tax and Value added tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Employees' State Insurance, Income-tax, Duty of Customs, Goods and Services tax (GST) and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income-tax, Service Tax, Sales Tax,Duty of customs, Duty of Excise, Value Added Tax and Goods and Services tax (GST) which have not been deposited by the Group with the appropriate authorities on account of any dispute:

(viii) According to the information and explanations given to us, the Group has not defaulted in repayment of loans or borrowings to its bankers during the year. Further, the Group did not have outstanding debentures or dues to any financial institutions or government during the year.

(ix) The Group did not raise any money by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.

(x) According to the information and explanations given to us, nofraud by the Group or on the Group by its officers or employees has been noticed or reported during the course of our audit.

(xi) The Group is a private limited Group and accordingly the requirements as stipulated by the provisions of section 197read with Schedule V to the Act are not applicable to the Group. Accordingly paragraph 3(xi) of the Order is not applicable.

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

(xiii) The Group is a private limited Group and accordingly the requirements as stipulated by the provisions of section 177 are not applicable to the Group.According to the information and explanations given to us, transactions with related parties are in compliance with section 188 of the Act, where applicable and details of such have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Group has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Group, the Group 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 Group is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.Accordingly, paragraph 3(xvi) of the Order is not applicable.

For VSPG & Associates
Chartered Accountants
(ICAI Firm Registration No.. 031775N)

Vimal Saini

Vimal Kumar Saini
Membership No: 515915
Place: New Delhi
Date: 5th September 2020
ICAI UDIN: 20515915AAAAES3401

Madhyam Housing Pvt. Ltd.
(CIN: U45201DL2003PTC123658)
B-2/6, Plot no. 2, Ashok Nagar, D.B. Gupta Road, Karol Bagh, New Delhi 110005
Consolidated Balance Sheet as at March 31, 2020
(Amounts in Rupees, unless otherwise stated)

	Notes	As at March 31, 2020	As at March 31, 2019
Assets			
Non-current assets			
Property , plant and equipments	3	32,664	46,090
Investments	4	6,22,32,850	6,20,79,370
Loans	5	3,13,63,040	7,48,63,040
Deferred tax assets (net)	6	6,657	24,545
		9,36,35,210	**13,70,13,045**
Current assets			
(a) Inventories	7	43,50,59,765	37,50,10,970
(b) Financial assets			
- Investments		-	-
- Trade receivables	8	-	12,42,250
- Cash and cash equivalents	9	1,86,15,989	1,16,98,626
- Loans and advances	10	38,52,154	45,10,510
- Other current assets		1,06,61,070	1,97,42,400
		46,81,88,978	**41,22,04,757**
Total Assets		**56,18,24,188**	**54,92,17,802**
Equities and Liabilities			
Equity share capital	12	1,45,72,310	1,45,72,310
Other equity	13		
- Security premium		18,71,30,790	18,71,30,790
- Capital reserve		5,64,21,788	5,64,21,788
- Retained earnings		(5,68,300)	(12,65,176)
		25,75,56,588	**25,68,59,712**
Non-current liabilities			
(a) Financial liabilities			
i) Borrowings	14	26,71,61,807	24,01,77,792
		26,71,61,807	**24,01,77,792**
Current Liabilities			
(a) Financial liabilities			
- Trade payable	15	9,19,056	8,04,667
- Other current liabilities	16	3,61,86,738	5,13,75,630
		3,71,05,794	**5,21,80,297**
Total equity and liabilities		**56,18,24,189**	**54,92,17,802**

Summary of significant accounting policies 1 & 2
The accompanying notes are an integral part of the financial statements.
As per our report of even date attached

For V S P G & Associates
Chartered Accountants
(Firm Registration No.: 031775N

VimalSaini

Vimal Kumar Saini
Partner
Membership No. 0515915
UDIN:-20515915AAAAES3401

Place: New Delhi
Date:

For and on behalf of the Board of Directors of Madhyam Housing Pvt. Ltd.

Savita Kesarwani	**Pankaj Kumar Jain**
Director	**Director**
DIN: 02237455	**DIN: 05217677**

Madhyam Housing Pvt. Ltd.
(CIN: U45201DL2003PTC123658)
B-2/6, Plot no. 2, Ashok Nagar, D.B. Gupta Road, Karol Bagh, New Delhi 110005
Consolidated Statement of Profit and Loss for the year ended March 31,2020
(Amounts in Rupees, unless otherwise stated)

	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from operations	17	1,02,00,000	10,00,000
Other Income	**16**	14,63,584	9,25,104
Total income		**1,16,63,584**	**19,25,104**
Expenses			
Cost of Constructions		0	0
Employee benefit expenses	20	92,85,514	21,661
Finance cost		1,84,015	87,659
Depreciation		13,426	21,627
Other expenses	21	14,14,317	11,46,345
Total expenses		**1,08,97,272**	**12,77,291**
Profit before tax		7,66,312	6,47,813
Profit / (loss) on investment in associate enterprises		1,53,480	9,019
Income tax expense	22		
Current tax		2,05,028	1,96,038
Deferred Tax		17,889	(2,957)
		2,22,917	1,93,081
Profit/(Loss) for the year		**6,96,875**	**4,63,751**
Other comprehensive income			
A. Other comprehensive income to be reclassified to profit or loss in subsequent periods:		-	-
B. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/(losses) on defined benefit plans		-	-
Income tax effect		-	-
Other comprehensive income, net of tax			
Total comprehensive income for the year (Comprising Profit and Other Comprehensive Income for the year), net of tax		**6,96,875**	**4,63,751**
Earnings per equity share			
(nominal value of share Rs. 10)			
Basic and diluted	23	**0**	**0**

Summary of significant accounting policies 1 & 2
The accompanying notes are an integral part of the financial statements.
As per our report of even date

For V S P G & Associates
Chartered Accountants
(Firm Registration No.: 031775N

Vimal Saini

Vimal Kumar Saini
Partner
Membership No. 0515915
UDIN:-20515915AAAAES3401

Place: New Delhi
Date:

For and on behalf of the Board of Directors of
Madhyam Housing Pvt. Ltd.

Savita Kesarwani
Director
DIN: 02237455

Pankaj Kumar Jain
Director
DIN: 05217677

Madhyam Housing Pvt. Ltd.
(CIN: U45201DL2003PTC123658)
B-2/6, Plot no. 2, Ashok Nagar, D.B. Gupta Road, Karol Bagh, New Delhi 110005
Consolidated Statement of Changes in equity for the year ended March 31, 2020
(Amounts in Rupees, unless otherwise stated)

A. Equity Share Capital

Equity shares of INR 10 each issued,	Number	Amount in Rs.
As at 31, March 2019	14,57,231	1,45,72,310
As at 31, March 2020	14,57,231	1,45,72,310

B. Other Equity
For the year ended 31 March 2020

	Reserve and surplus		Other comprehensive	Total
	Security premium	Retained earnings		
Balance as at 1 April 2019	18,71,30,790	(12,65,176)	5,64,21,788	24,22,87,402
Profit for the year		6,96,875	-	6,96,875
Other comprehensive income	-	-		-
Total comprehensive income	-	6,96,875	-	6,96,875
Balance as at 31 March 2020	**18,71,30,790**	**(5,68,300)**	**5,64,21,788**	**24,29,84,278**

For the year ended 31 March 2019

	Reserve and surplus		Other comprehensive income	Total
	Security premium	Retained earnings		
Balance as at 1 April 2018	18,71,30,790	(17,28,927)	5,64,21,788	24,18,23,651
Profit for the year		4,63,751	-	4,63,751
Other comprehensive income	-	-		-
Total comprehensive income	-	4,63,751	-	4,63,751
Balance as at 31 March 2019	**18,71,30,790**	**(12,65,176)**	**5,64,21,788**	**24,22,87,402**

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date

For V S P G & Associates
Chartered Accountants
(Firm Registration No.: 031775N

Vimal Saini

Vimal Kumar Saini
Partner
Membership No. 0515915
UDIN:-20515915AAAAES3401

For and on behalf of the Board of Directors of
Madhyam Housing Pvt. Ltd.

Savita Kesarwani
Director
DIN: 02237455

Pankaj Kumar Jain
Director
DIN: 05217677

Place: New Delhi
Date:

1 Corporate information

Madhyam Housing Private Limited (the group) was incorporated on 23rd December, 2003 in India as a private limited company. The group is engaged in dealing in construction and engineering related business including survey, drawing, designing, architect, consultancy, marketing housekeeping projects all type of structural and pilling engineering work, interior designing, land scaping and graphic.

2 Significant accounting policies

2.1 Basis of preparation

The consolidated financial statements has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).
For all periods up to and including the year ended 31 March 2017, the Company has prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

These consolidated financial statements have been prepared on a historical cost basis.
The consolidated financial statements are presented in Indian Rupees (Rs.) except otherwise stated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its associate enterprise as at 31 March 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.
Specifically, the Group controls an investee if, and only if, the Group has:

• Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
• Exposure, or rights, to variable returns from its involvement with the investee
• The ability to use its power over the investee to affect its returns Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
• The contractual arrangement(s) with the other vote holders of the investee
• Rights arising from other contractual arrangements
• The Group's voting rights and potential voting rights
The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a assocaite enterprises begins when the Group obtains control over the associate enterprises and ceases when the Group loses control of the associate enterprises.

A change in the ownership interest of a assocaite enterprises, without a loss of control, is accounted for as an equity transaction.
If the Group loses control over a assicate enterprisese, it derecognises the related assets (including goodwill), and other components of equity, while any resultant gain or loss is recognised in profit or loss.

Company follows equity method for consolidation of associate enterprises , which is as follows:
The equity method is a method of accounting whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income.

2.2 Summary of significant accounting policies

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.
An asset is treated as current when it is expected to be realised within twelve months after the reporting period.
All other assets are classified as non-current.

A liability is current when it is due to be settled within twelve months after the reporting period.
The Company classifies all other liabilities as non current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

▶ Disclosures for valuation methods, significant estimates and assumptions (note 20)
▶ Quantitative disclosures of fair value measurement hierarchy (note 26)

c. Revenue recognition

Revenue from marketing/job work contracts are recognized pro rata over the period of the contract as and when services are rendered.The Company collects service tax on behalf of the Government and, therefore, it is not an economic benefit flowing to the company.Hence it is excluded from the revenue.
Revenue from services comprises income from time and material and fixed price contracts. Revenue from time and material contracts is recognised as the services are rendered.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

d. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

Sales/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

e. Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, if any, are recognised in the statement of profit and loss.

f. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

g. Financial instruments

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

i) Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

i) Debt instruments at amortised cost

ii) Debt instruments at fair value through other comprehensive income (FVTOCI)

iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

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

i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

ii) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e.

i) The rights to receive cash flows from the asset have expired, or

ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred an asset, the Company evaluates whether it has transferred substantially all the risk and rewards of the ownership of the financial asset, in such cases, the financial asset is derecognised. When the Company has not transferred substantially all the risk and rewards of the ownership of the financial asset, the financial asset is not derecognised.

When the Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial assets. Where the Company retains control of the financial assets, the assets continue to be recognised to the extent of continuing involvement in the financial assets.

Impairment of financial assets

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

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

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Lease receivables under Ind AS 17

d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

e) Loan commitments which are not measured as at FVTPL

f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

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

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

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

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

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

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date:

	Current	1-180 days past due	180-365 days past due	More than 365 days past due
Default rate	0.00%	0.00%	50.00%	100.00%

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.
The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.
Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.
This category generally applies to borrowings.

Derecognition

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

Offsetting of financial instruments

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

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

h. Cash and cash equivalents

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

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

i. Segment reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

Inter Segment transfers

The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

j. Contingent liabilities

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

Provisions and contingents liabilities are reviewed at each balance sheet date.

k. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the company by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

MADHYAM HOUSING PRIVATE LIMITED

Annexed to and Forming Part of Accounts as on 31st March 2020

CIN: U45201DL2003PTC123658

Schedule 3: Property, plant and Equipment

Particulars	Gross Block				Accumulated Depreciation			Residual Value	Net Block	
	As at 1st April 2019	Additions during the year	Sales/ Adjustment	As at 31st March 2020	Dep. Charged upto 31.03.2019	Deprecation for the year (2019-20)	As at 31st March 2020		As at 31st March 2020	As at 31st March 2019
Computers	48,600	-	-	48,600	46,170	-	46,170	2,430	2,430	2,430
Furniture and Fixture	87,147	-	-	87,147	82,790	-	82,790	4,357	4,357	4,357
Generator Set	2,00,000	-	-	2,00,000	1,90,000	-	1,90,000	10,000	10,000	10,000
Electrical & Electronics Equipments	2,17,800	-	-	2,17,800	1,98,031	8,879	2,06,910	10,890	10,890	19,769
Battery GP-11541	6,993	-	-	6,993	4,153	2,322	6,475	350	518	2,840
Refrigerator (Whirlpool)	8,593	8,593	-	17,186	2,225	2,225	4,450	430	12,737	6,368
Luminous Battery	6,500	-	-	6,500	6,175	-	6,175	325	325	325
Total	5,75,633	8,593	-	5,84,226	5,29,544	13,426	5,42,969	28,782	41,257	46,089

As per our report of even date attached

4 **Investments**

Particulars	As at March 31, 2020	As at March 31, 2019
Madhyam Construction Co. Pvt. Ltd. (Equity shares investment)	-	-
- Investment at Cost (A)	60,00,000	60,00,000
- Capital reserve created on acquisition (B)	5,64,21,788	5,64,21,788
- Profit and Loss Accumulated at the beginning	(3,42,418)	(3,51,437)
- Add: Profit / (loss) on investment in associate enterprises	1,53,480	9,019
- Profit and Loss Accumulated at the year end (C)	(1,88,939)	(3,42,418)
Total (A+B +C)	**6,22,32,850**	**6,20,79,370**

5 **Loans (Non Current)**

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Eeshan Corporation Ltd.*	3,13,63,040	7,48,63,040
Scured, considered good		
	-	-
Total	**3,13,63,040**	**7,48,63,040**

***Loan given to Eeshan corporation ltd. Against Land**

Break up of financial assets carried at amortized cost

Particulars	31 March 2020		31 March 2019	
	Non-current	Current	Non-current	Current
Investments	6,22,32,850	-	6,20,79,370	-
Loans and advances	3,13,63,040	38,52,154	7,48,63,040	45,10,510
Trade receivables	-	-	12,42,250	-
Cash and cash equivalent	-	1,86,15,989	-	1,16,98,626
	9,35,95,890	**2,24,68,143**	**13,81,84,660**	**1,62,09,137**

6 **Deferred tax assets (net)**

Particulars	Balance Sheet		Statement of Profit & Loss	
	As at March 31, 2020	As at March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
Deferred tax asset arrising on				
Preliminary expenses	-	-	-	-
Total	-	-	-	-

Reflected in balance sheet as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax assets		

Reconciliation of deferred tax assets/ (liabilities) (net):

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	-	-
Tax income /(expense) during the year recognised in profit/loss	-	-
Balance at the end of the year	**6,657**	**24,545**

7 **Inventories**

Particulars	-	-
(a) Madhayam Plaza Project		
Opening Balance	32,41,56,416	25,14,66,163
Add: Addition for the year	5,99,10,961	7,26,90,253
Total	38,40,67,377	32,41,56,416
(a) Kasna G. Noida		
Opening Balance	5,08,54,554	5,05,81,145
Add: Addition for the year	1,37,834	2,73,409
	5,09,92,388	5,08,54,554
Total	**43,50,59,765**	**37,50,10,970**

8 Trade Receivable

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Others receivables		
Unsecured, Considered good	-	12,42,250
Total	**-**	**12,42,250**

9 Cash & cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Cash In Hand	7,87,698	6,35,351
Balances with banks		
On current accounts	6,43,049	80,646
On deposits	1,71,85,242	1,09,82,629
Total	**1,86,15,989**	**1,16,98,626**

10 Short term loans and advances

Particulars	As at March 31, 2020	As at March 31, 2019
Balance with Statutory Authorities	1,97,812	17,02,020
Advance to venders	19,56,860	19,56,860
Other advances	2,892	71,889
Prepaid expenses	1,48,519	9,863
Advance tax	15,46,071	7,69,878
Total	**38,52,154**	**45,10,510**

11 Other current assets

Particulars	As at March 31, 2020	As at March 31, 2019
Receivables from KW Pearls Project	1,06,41,070	1,97,22,400
Security deposits	20,000	20,000
Total	**1,06,61,070**	**1,97,42,400**

12 Share Capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised share capital		
20,00,000 equity shares (20,00,000 equity shares in previous year) of Rs. 10/- each	**2,00,00,000**	**2,00,00,000**
Issued, subscribed & fully paid share capital		
14,57,231 Equity Shares (14,57,231 equity shares in previous year) of Rs. 10/- each	1,45,72,310	1,45,72,310
Total issued, subscribed and fully paid up share capital	**1,45,72,310**	**1,45,72,310**

a. Reconciliation of equity shares outstanding at the beginning and at the end of reporting year

Particulars	March 31, 2020		March 31, 2019	
	Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
Equity Shares				
At the beginning of the year	14,57,231	1,45,72,310	14,57,231	1,45,72,310
Issue during the year	-	-	-	-
Outstanding at the end of the year	**14,57,231**	**1,45,72,310**	**14,57,231**	**1,45,72,310**

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to vote in proportion to his share of the paid up capital of the company.

In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c **Details of shareholders (as per the register of shareholders) holding more than 5% shares in the company**

Particulars	March 31, 2020		March 31, 2019	
	Number of shares	% holding	Number of shares	% holding
Equity shares of Rs. 10 each fully paid up				
Eeshan Corporation Ltd	5,47,750	38%	5,47,750	38%
Madhyam Construction Co. Pvt. Ltd.	4,40,031	30%	4,40,031	30%
Savita Kesarwani	4,69,450	32%	4,69,450	32%

13 **Other Equity**

	Particulars	As at March 31, 2020	As at March 31, 2019
a.	**Securities premium account**	18,71,30,790	18,71,30,790
b.	**Capital Reserve**		
	- Balance as per consolidation with associates	5,64,21,788	5,64,21,788
c.	**(Deficit) in the Statement of Profit & Loss**		
	Opening Balance	(12,65,176)	(17,28,927)
	Add: Profit/(Loss) for the year	6,96,875	4,63,751
	Net deficit in the statement of profit and loss	**(5,68,300)**	**(12,65,176)**
	Total	**24,29,84,278**	**24,22,87,402**

14 **Borrowings (Long Term)**

Particulars	As at March 31, 2020	As at March 31, 2019
Secured loan		
DMI Finance Pvt. Ltd.	25,83,25,509	24,01,83,970
Unsecured loan		
KW Homes Pvt. Ltd.	88,36,298	-
Usha Financial Services Pvt. Ltd.	-	(6,178)
Total	**26,71,61,807**	**24,01,77,792**

15 **Trade payable**

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Payable	9,19,056	8,04,667
Total	**9,19,056**	**8,04,667**

16 **Other Current Liabilities**

Particulars	As at March 31, 2020	As at March 31, 2019
Other Liabilities		
Bank Overdraft		14,61,391
Audit fees payable	60,000	-
Advance from custumer	1,59,94,458	1,59,94,458
Payable to employees	10,03,842	12,14,250
TDS payable	14,13,321	13,29,018
Security deposits	15,569	15,569
Advance from custumer (Demand raised)	1,74,94,430	3,11,64,906
Statutory Dues	-	-
Provision for income tax	2,05,118	1,96,038
Total	**3,61,86,738**	**5,13,75,630**

& Associates New Delhi Chartered Accountants

17 **Revenue from Operations**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue From Operations		
Consultancy Charges	1,02,00,000	10,00,000
Revenue from operations (net)	**1,02,00,000**	**10,00,000**

18 **Other Income**

Particulars	For the year ended	For the year ended
Scrap Sales	-	1,37,500
Rental income	1,56,000	1,56,000
Interest on :		
- Fixed deposits	13,07,584	6,31,604
Other Income	**14,63,584**	**9,25,104**

19 **Cost of Construction**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening Stock	37,50,10,970	30,20,47,308
Add: Direct Expenses	6,00,48,795	7,29,63,662
Less: Closing Stock	43,50,59,765	37,50,10,970
Cost of Construction	**0**	**0**

20 **Employee benefits**

Particulars	For the year ended	For the year ended
Salaries, wages and bonus	92,65,000	4,872
Staff Welfare	20,514	16,789
Employee benefits	**92,85,514**	**21,661**

21 **Finance Cost**

Particulars	For the year ended	For the year ended
Bank Charges	7,282	3,009
Interest on late payment of Govt. dues	1,76,733	84,650
Finance Cost	**1,84,015**	**87,659**

21 **Depreciation**

Particulars	For the year ended	For the year ended
Depreciation	13,426	21,627
	-	-
Depreciation	**13,426**	**21,627**

21 Other Expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Payment to auditor (refer note below)	60,000	60,000
Travelling and conveyance	2,78,652	2,71,660
Business promotion	7,925	3,18,599
Printing and stationary	10,116	18,991
Communication expenses	9,350	22,400
Rates and taxes	9,92,350	-
Bad debts	-	1,99,755
Filing fees	28,850	4,200
Legal Professional Charges	15,500	2,32,500
Miscellaneous Expenses	11,574	18,240
Total	**14,14,317**	**11,46,345**

Payment to auditor		
Audit fee	60,000	60,000
Other Matters	-	-
Total	60,000	60,000

22 Income Tax

The major components of income tax expense for the years ended 31

Profit or loss section :

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Income tax expense		
Current income tax charge	2,05,028	1,96,038
Adjustment of tax relating to earlier periods	-	-
Deferred tax		
Relating to origination and reversal of temporary differences	17,889	-
Income tax expense reported in the statement of profit or loss	**2,22,917**	**1,96,038**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Accounting profit before tax	7,66,312	6,47,813
At income tax rate of 26% (31 March 2018: 25.75%)	1,97,325	1,66,812
Other non deductible expenses	25,591	29,226
At the effective Income Tax Rate of 61% (31 March 2018: 61%)	2,22,917	1,96,038
Income tax expense reported in the statement of Profit and loss	2,22,917	1,96,038

23 Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Total operations for the year		
Nominal Value of Shares	10	10
Profit attrubutable to equity share holders (A)	6,96,875	4,63,751
Weighted average number of equity shares outstanding during the year (B)	14,57,231	14,57,231
Basic /diluted earnings per share (A/B)	**0.48**	**0.32**

24 Significant accounting judgements, estimates and assumptions

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

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claim against the Company, including legal and other claims. By their nature, contingencies will be resolved only when one or more uncertain future event occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of the future events.

Estimates and assumptions

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

i) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit 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 amount is 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.

ii) 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, their 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 of financial instruments.

25 Gratuity and other post-employment benefit plans

Since there are no employees in the company, the obligation as per Ind AS -19 "Employee benefits" does not arise and accordingly no disclosure has been made in the financial statement.

26 Commitments and contingencies

	31 March 2020	31 March 2019	31 March 2018
a. Contingent liabilities			
Claims against the Company not acknowledged as debt			
Income Tax	-	-	-

27 Related party disclosures

Name of related party and related party relationships

Key management personnel

Pankaj Kumar Jain

Savita Kesarwani

Relatives of key management personnel

Shashi Dhar Kesarwani

Reeta kesari

Shashank kesarwani

Enterprises owned or significantly influenced by key management personnel or their relatives

Madhyam Housing Solution Private Limited

Madhyam Construction Company Private Limited

Dingle Buildcons Private Limited

KW Homes Private Limited

K World Estate Private Limited

U.D. Kesarwani HUF

Transactions with related parties

Particulars	Holding, Subsidiary company & Key management personnel					
	31 March 2020			31 March 2019		
	Amount Incurred/Loan taken	Loan given/Repayment/ Income	Closing balance	Amount Incurred/Loan taken	Loan given/Repayment/ Income	Closing balance
Rent Received						
K World Estate Private Limited	1,13,280	47,200	66,080	1,13,280	1,13,280	-
KW Homes Private Limited	70,800	29,500	41,300	70,800	70,800	-
Total	**1,13,280**	**47,200**	**66,080**	**1,13,280**	**1,13,280**	-
Investment						
Madhyam Construction Co. Pvt.Ltd.			60,00,000			60,00,000.00
Total	-	-	**60,00,000**	-	-	**60,00,000**
2.Debtors/Receivable						
KW Homes Private Limited		12,42,250	-	12,42,250.00		12,42,250

Note: Related party transactions includes Ind AS impact.

28 Financial risk management objectives and policies

The Company's principal financial liabilities comprise of trade and other payables,. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, trade receivables, loans, other receivables and cash and cash equivalents that derive directly from its operations.

a. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings, deposits and FVTPL investments.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2020 and 31 March 2019.

i) Interest rate risk

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

Interest rate sensitivity

The Company is not exposed to the risk of changes in market interest rates, since the rate of interest for the loans availed by the Company is fixed rate interest.

ii) Price risk

Commodity price risk:

As the Company is not engaged in business of commodities which are traded in recognized commodity exchanges, commodity risk is not applicable.

Equity price risk:

Since the Company has not made any investment in any listed/ unlisted securities during the year or at the year end, equity price risk is not applicable.

b. Liquidity risk

The Company's objective is to maintain a balance of continuity of funding and flexibility through the use of short term and long term loans and borrowings. The Company's management reviews the liquidity position on an ongoing basis.

The below table summarized the maturity profiles of the Companies financial liabilities based on the contractual undiscounted payments:

Maturity profile of financial liabilities

As at 31 March 2020

Particulars	Borrowing current	Borrowing non-current	Trade payables	Other financial liabilities	Total
Carrying Amount	-	-	-	3,61,86,738	3,61,86,738
Contractual cash flows	-	-	-	3,61,86,738	3,61,86,738
Maturity profile					-
On Demand					-
6 months or less	-		-	**3,61,86,738**	**3,61,86,738**
6-12 months					-
1-2 years		-			-
2-5 years					-

As at 31 March 2019

Particulars	Borrowing current	Borrowing non-current	Trade payables	Other financial liabilities	Total
Carrying Amount	-	-	-	5,13,75,630	5,13,75,630
Contractual cash flows	-	-	-	5,13,75,630	5,13,75,630
Maturity profile					-
On Demand					-
6 months or less	-		-	**5,13,75,630**	**5,13,75,630**
6-12 months					-
1-2 years					-
2-5 years		-			-

29 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, borrowings, trade and other payables, less cash and cash equivalents.

Particulars	31 March 2020	31 March 2019
Long term borrowings	26,71,61,807	24,01,77,792
Short term borrowings	-	-
Trade Payables	9,19,056	8,04,667
Other Payables	3,61,86,738	5,13,75,630
Less : Cash and cash equivalent	(1,86,15,989)	(1,16,98,626)
Net debts	**28,56,51,612**	**28,06,59,463**
Capital Components		
Equity	1,45,72,310	1,45,72,310
General reserve	18,71,30,790	18,71,30,790
Reserve and Surplus	(5,68,300)	(12,65,176)
Total Capital	**20,11,34,800**	**20,04,37,924**
Capital and Net debts	**48,67,86,412**	**48,10,97,387**
Gearing Ratio	**1.42**	**1.40**

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2019

30 (i) Fair value

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying Value		Fair value	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Financial assets				
Investment (Fair value though profit & loss)	6,22,32,850	6,20,79,370	6,22,32,850	6,20,79,370
Total	**6,22,32,850**	**6,20,79,370**	**6,22,32,850**	**6,20,79,370**

The management assessed that cash and cash equivalent, trade receivables, trade payables, other liabilities, other assets and borrowings approximates their carrying amount at fair value.

The fair value of 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 following method and assumptions were used to estimate the fair value :

The fair value of quoted investments are based on market price as on the reporting date.

ii) Fair hierarchy

Particular	Date of valuation	Total	Fair value measurement using Quoted in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial asset					
Investments	31 March 2020	6,22,32,850		6,22,32,850	-
Investments	31 March 2019	6,20,79,370		6,20,79,370	-
Investments	31 March 2018	1,50,42,724		1,50,42,724	-

31 Government of India has promulgated an Act namely The Micro, Small and Medium Enterprises Development Act, 2006 which come into force with effect from October 2, 2006. As per the Act, the Company is required to identify the Micro, Small and Medium Suppliers and pay them interest on overdue beyond the specified period irrespective of terms agreed with the suppliers. The Company has issued the confirmation letter to all its suppliers at the year end, to identify the supplier registered with the above act. Management has informed us that none of the supplier has confirmed that they have registered with the Act. In view of this, the liability of interest has not been provided nor is required disclosure.

32 Segment information

Based on the guiding principles given in Indian Accounting Standard on 'Operating Segments' (Ind AS-108), the Company's primary business segment is developing, buying, selling, renting, operating & marketing of land, real estate such as apartment building & dwellings, non-residential buildings, developing & sub dividing real estate into lots etc. The Company operates only in India i.e. only one business and geographical segment and thus, no further disclosures are required to be made as per Accounting Standard (Ind AS-108).

	Within India	Outside India	Within India	Outside India
Turnover (gross)	10,00,000	-	-	-
Trade receivables	-	-	-	-

33 Expenditure in foreign currency for the year ended March 31, 2020 is NIL (March 31, 2019 is NIL).

34 Earnings in Foreign exchange for the year ended March 31, 2020 is NIL (March 31, 2019 is NIL).

35 CIF value of Imports for the year ended March 31, 2020 is NIL (March 31, 2019 is NIL).

36 As at March 31, 2020, there are no unhedged foreign currency exposures and outstanding derivative contracts (March 31, 2019 is NIL)

37 Previous year figures have been regrouped or rearranged wherever considered necessary to make them comparable with current year figure.

For V S P G & Associates
Chartered Accountants
(Firm Registration No.: 031775N

Vimal Saini

V S P G & Associates New Delhi Chartered Accountants

Vimal Kumar Saini
Partner
Membership No. 0515915
UDIN:-20515915AAAAES3401

Place: New Delhi
Date:

For and on behalf of the Board of Directors of
Madhyam Housing Pvt. Ltd.

Savita Kesarwani	**Pankaj Kumar Jain**
Director	**Director**
DIN: 02237455	**DIN: 05217677**