

INDEPENDENT AUDITOR'S REPORT

To the members of
Mrugnayani Infrastructures Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Mrugnayani Infrastructures Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss, and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

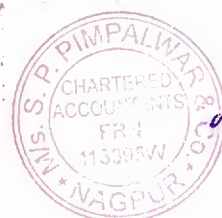
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for 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 financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.



This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

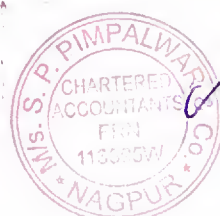
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



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

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

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

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

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

Report on Other Legal and Regulatory Requirements

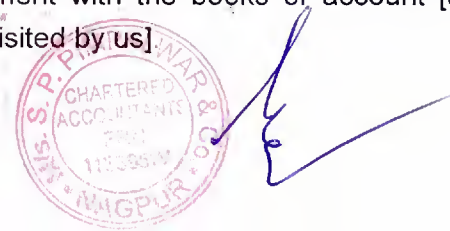
As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A-** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account [and with the returns received from the branches not visited by us]



- (d) In our opinion, the aforesaid 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 as on 31st March, 2020 taken on record by the Board of Directors, none of the directors 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 adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- (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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S. P. Pimpalwar & Co.

Chartered Accountants

Firm Reg. No. 113395W





S. P. Pimpalwar

Partner

Membership No.41078

Nagpur, June 29, 2020

UDIN:

Annexure A to the Independent Auditor's Report

Annexure referred to in Paragraph 3 of our report of even date to the members of Mrugnayani Infrastructures Private Limited on the Financial Statements for the year ended 31st March 2020, we report that:

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The fixed assets have been physically verified by the management at reasonable intervals, which in our opinion is reasonable having regard to the size of the Company and the nature of its asset. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (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 physical verification of inventory has been conducted at reasonable intervals by the management and on the basis of our examination of records of inventory, in our opinion, discrepancies noticed on physical verification between the physical stocks and the book records were not material in relation to the operations of the Company.
- iii) The Company has not granted unsecured loan to the companies, firm and other parties covered in the register maintained under Section 189 of the Act. Hence reporting under clause (iii) of the order is not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has not given any loan & has not made any investments thus the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made are not applicable.
- v) The Company has not accepted any deposits from the public. Hence, reporting under this clause (v) is not applicable.
- vi) To the best of our knowledge, the maintenance of cost records under Sub Section 1 of Section 148 of the Companies Act, 2013 prescribed by the Central Government is not required for the Company.



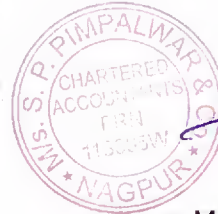
- vii)
- (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax and other statutory dues applicable to it. There are no outstanding statutory dues at 31st March, 2020 for a period of more than 6 months from the date they became payable.
 - (b) According to the Information and explanation given to us, there are no dues of Income Tax and other statutory dues which have not been deposited on account of any dispute.
- viii) Based upon the audit procedures performed and information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial Institution, bank or debenture holders.
- ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any funds by way of term loans; so reporting under Para 3(ix) is not applicable.
- x) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
- xi) Since the Company has not given any managerial remuneration during the year, the clause (xi) of the Order is not applicable to the Company.
- 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) Since the Company is neither a Listed Company nor such class of Company, as may be prescribed, compliances under Section 177 of Companies Act is not applicable. Further according to the information and explanations given to us and based on our examination of the records of the Company, there are no related party transactions entered during the year, hence no reporting is required.
- xiv) According to the information and explanations given 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.



S. P. PIMPALWAR & CO.
CHARTERED ACCOUNTANTS
OPP CHILDREN TRAFFIC PARK, DHARAMPETH,
NAGPUR-10.

- 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 thus clause (xvi) of CARO 2016 is not applicable.

For S. P. Pimpalwar & Co.
Chartered Accountants
Firm Reg. No.113395W



S. P. Pimpalwar
Partner

Membership No.41078

UDIN:

Nagpur, June 29, 2020

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Mrugnayani Infrastructures Private Limited ("the Company") as of 31 March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

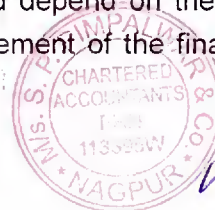
Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Control over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



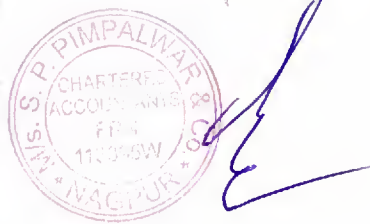
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



Opinion

In our opinion, 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 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. P. Pimpalwar & Co

Chartered Accountants

Firm Reg. No.113395W



S. P. Pimpalwar

Partner

Membership No.41078

UDIN:

Nagpur, June 29, 2020

MRUGNAYANI INFRASTRUCTURES PRIVATE LIMITED

Balance Sheet as at 31st March, 2020

Particulars	Note No.	As at	As at
		31st March, 2020	31st March, 2019
		Amount in Rs.	Amount in Rs.
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	49,600,000	24,600,000
(b) Reserves and surplus	4	(1,527,506)	(864,366)
		48,072,494	23,735,634
2 Current liabilities			
(a) Trade payables	5	156,290	296,121
(b) Other current liabilities	6	83,234,239	109,708,959
		83,390,529	110,005,080
Total Equity & Liabilities		131,463,023	133,740,713
B ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment			
(i) Tangible assets	7	31,669	85,088
(b) Non-current investments	8	-	311,100
(c) Deferred tax assets (net)	9	9,228	6,862
		40,897	403,049
2 Current assets			
(a) Inventories	10	131,230,845	131,816,683
(b) Cash and Bank Balances	11	115,788	1,215,665
(c) Short-term loans and advances	12	75,493	305,316
		131,422,127	133,337,664
Total Assets		131,463,023	133,740,713

See accompanying notes forming part of the financial statements

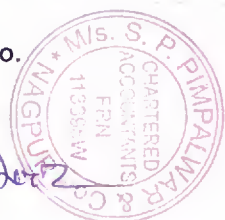
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As per our report of even date

For S. P. Pimpalwar & Co.

Chartered Accountants

Firm Reg. No.: 113395W



CA S. P. Pimpalwar

Partner

Membership No. 41078

UDIN: 20041078AAAAAH2317

Nagpur, June 29, 2020

For and on behalf of the Board of Directors

Ms. Alpana Wazarkar

Director

Ms. Karnika Bothra

Director

Nagpur, June 29, 2020

MRUGNAYANI INFRASTRUCTURES PRIVATE LIMITED
Statement of Profit & Loss for the period ended on 31st March, 2020

Particulars	Note No.	For the year ended	For the year ended
		31st March, 2020	31st March, 2019
		Amount in Rs.	Amount in Rs.
A CONTINUING OPERATIONS			
I Revenue from Operation	13	3,064,000	8,548,000
II Other Income	14	-	46,650
III Total Revenue		3,064,000	8,594,650
(a) Cost of Commercial Units Sold	15	2,144,473	7,550,641
(b) Employee Benefit Expenses	16	200,858	372,948
(c) Finance Costs	17	600,794	3,804,301
(d) Depreciation and Amortisation Expense	7	53,419	145,001
(e) Other Administrative Expenses	18	729,962	991,491
Total Expenses		3,729,506	12,864,382
V Profit/ (Loss) before tax (III - IV)		(665,506)	(4,269,732)
VI Tax Expense:			
(a) Current Tax		-	-
(b) Deferred Tax Expense/(Income)		(2,366)	(18,552)
(c) Income tax of earlier years		-	55,885
		(2,366)	37,333
VII Profit/ (loss) for the period (V - VI)		(663,140)	(4,307,066)
Basic Earning per Equity Share		(6.63)	(43.07)
Diluted Earning per Equity Share		(6.63)	(43.07)

See accompanying notes forming part of the financial statements

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As per our report of even date

For S. P. Pimpalwar & Co.

Chartered Accountants
Firm Reg. No.: 113395W

CA S. P. Pimpalwar
Partner

Membership No. 41078

UDIN: 20041078AAAAAH2317

Nagpur, June 29, 2020



For and on behalf of the Board of Directors

Ms. Alpana Wazarkar
Director

Ms. Karnika Bothra
Director

Nagpur, June 29, 2020

MRUGNAYANI INFRASTRUCTURES PRIVATE LIMITED
Cash Flow Statement for the period ended 31st March, 2020

Particulars	For the year ended 31st March, 2020		For the year ended 31st March, 2019	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before Tax & Extraordinary items	(665,506)		(4,269,732)	
Adjustments for :				
Depreciation	53,419		145,001	
Interest & Bank Charges	600,794		3,804,301	
Operating profit before working capital changes	(11,293)		(320,430)	
Working Capital Changes :				
Changes in Inventories	585,838		6,375,824	
Changes in Receivables/Payables	(139,831)		(87,371)	
Loans, Advances & Deposits	229,823		(133,016)	
Current Liabilities	(26,474,720)		20,387,819	
Changes in Short Term Provisions	-		(815,705)	
Cash generated from operations	(25,798,890)		25,727,551	
Tax of earlier years	-		(55,885)	
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		(25,810,183)		25,351,236
B) CASH FLOW FROM INVESTING ACTIVITIES				
Sale of Investment	311,100		-	
NET CASH FLOW FROM INVESTING ACTIVITIES [B]		311,100		-
C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Issue of Preference Shares	25,000,000		-	
Interest & Bank Charges	(600,794)		(3,804,301)	
Borrowing	-		(20,400,000)	
NET CASH FLOW FROM FINANCING ACTIVITIES [C]		24,399,206		(24,204,301)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		(1,099,877)		1,146,935
OPENING BALANCE OF CASH AND CASH EQUIVALENTS		1,215,665		68,730
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS		115,788		1,215,665

See accompanying notes forming part of the financial statements

1, 2 & 19

As per our report of even date

For S. P. Pimpalwar & Co.
Chartered Accountants
Firm Reg. No.: 113395W



CA S. P. Pimpalwar
Partner

Membership No. 41078

UDIN: 20041078AAAAAH2317

Nagpur, June 29, 2020

For and on behalf of the Board of Directors

Ms. Alpna Wazarkar
Director

Ms. Karnika Bothra
Director

Nagpur, June 29, 2020

MRUGNAYANI INFRASTRUCTURES PRIVATE LIMITED

Notes forming part of the financial statements

NOTE 1: Corporate Information

Mrugnayani Infrastructures Private Limited ("the Company") having (CIN-U45200MH2008PTC180766) is a company registered under the Companies Act, 2013 (Earlier Companies Act, 1956). It was incorporated on 03rd April, 2008. The Company is primarily engaged in the business of Construction and sale of Commercial units.

NOTE 2: Statement on Significant Accounting Policies

1. Basis of Presentation:

The financial statements of the Company are prepared under historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP) applicable in India and the provisions of the Companies Act, 2013.

2. Use of Estimates:

The Preparation of the financial statements in conformity with the GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of revenue and expenses during the reported year. Actual results could differ from those estimates.

3. Revenue Recognition:

Revenue is recognized on accrual basis. Revenue from sale of commercial units is recognized when the substantial risk and rewards of ownership is transferred to the buyer and the collectability is reasonably measured.

Dividend income is recognized when the right to receive is established by the reporting date.

4. Property, Plant and Equipment:

Property, Plant and Equipment are capitalized at cost that comprises the purchase price and any other attributable cost of bringing the asset to working condition for its intended use.

5. Depreciation:

Depreciation is provided on the written down value basis at the rates determined based on useful lives of assets, where applicable, prescribed under Schedule II to the Act.

The carrying cost of assets is reviewed at each balance sheet date to determine if there is any indication of impairment thereof based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds their recoverable amounts, which represent the greater of the net selling price of assets & their 'value in use'.



The estimated future cash flows are discounted to their present value at appropriate rate arrived at after considering the prevailing interest rate and weighted average cost of capital.

6. Provisions and Contingent Liabilities:

Provisions are recognized when there is a present obligation as a result of the past event, it is probable that an overflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made.

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or reliable estimate of the amount cannot be made.

7. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders 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 year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

8. Cash and cash equivalents:

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an balance maturity of three months or less.

9. Inventory:

Direct expenditure relating to construction activity is inventorised. Other expenditure (including borrowing costs net off income) during construction period is inventorised to the extent the expenditure is directly attributable cost of bringing the asset to their present location and condition.

10. Employee Benefits:

Short Term Employee Benefits are recognized as an expense on accrual basis. These benefits include performance benefits.



11. Borrowing Cost:

Borrowing costs that are attributable to the acquisition and/or construction of qualifying assets are capitalized as part of the cost of such assets, in accordance with notified Accounting Standard 16 'Borrowing Costs'. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Capitalization of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption.

12. Taxes on Income:

Taxes on income comprise of current tax and deferred tax.

Current Tax:

Current tax is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on expected outcome of assessments/ appeals.

Deferred Tax:

Deferred tax is recognized on timing differences between the accounting incomes and the taxable income for the year, and quantified using the tax rates and laws enacted or substantially enacted as on the Balance Sheet date. Deferred tax asset are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

13. Investments:

Investments held or intended to be held for a period of more than one year are considered long-term investments and are carried at cost. Diminution in value other than temporary is provided for.



MRUGNAYANI INFRASTRUCTURES PRIVATE LIMITED

Notes forming part of the financial statements

Note 3: Share Capital

Note 3: (A)

Share Capital	As at 31st March, 2020		As at 31st March, 2019	
	Numbers	Amount in Rs.	Numbers	Amount in Rs.
(a) Authorised				
Equity Share capital				
1,00,000 equity shares of Re.1 each	100,000	100,000	100,000	100,000
Redeemable Preference Share Capital				
2,49,00,000, 0% Redeemable, Non-Cumulative, Non-Convertible, Non-Participating Preference Shares of Re.1 each	-	-	24,900,000	24,900,000
4,99,00,000, 1% Redeemable, Non-Cumulative, Non-Convertible, Non-Participating Preference Shares of Re.1 each	49,900,000	49,900,000	-	-

Note: 1. The Authorised Share Capital of the Company was increased from Rs. 2,50,00,000/- (Rs. Two Crore Fifty lacs only) comprising 1,00,000 Equity Share of Rs. 1/- each and 2,49,00,000/- 0% Redeemable, Non-cumulative, Non-Convertible, Non-Participating Preference shares to Rs. 5,00,00,000/- (Rupees Five Crore only) comprising 1,00,000 Equity Share of Rs. 1/- each and 4,99,00,000/- 1% redeemable, Non-cumulative, Non-Convertible, Non-Participating Preference shares of Rs. 1/- each; vide Ordinary Resolution passed at the Extra ordinary General Meeting of the Members held on June 10, 2019

2. 0% Redeemable, Non-cumulative, Non-Convertible, Non-Participating Preference shares coupon rate has been changed from 0% to 1% Vide Special Resolution passed at the Extra Ordinary General Meeting held of the Members on June 10, 2019.

Share Capital	As at 31st March, 2020		As at 31st March, 2019	
	Numbers	Amount in Rs.	Numbers	Amount in Rs.
(b) Issued, Subscribed & Paid-Up Share Capital				
Equity Share capital				
1,00,000 shares of Re.1 each	100,000	100,000	100,000	100,000
Redeemable Preference Share Capital				
4,95,00,000, 0% Redeemable Non-Cumulative Non-Convertible Non-Participating Preference Shares of Re.1 each	-	-	24,500,000	24,500,000
4,95,00,000, 1% Redeemable Non-Cumulative Non-Convertible Non-Participating Preference Shares of Re.1 each	49,500,000	49,500,000	-	-

Note: Issue and Allotment of 2,50,00,000, 1% Redeemable Non-Cumulative Non-Convertible Non-Participating Preference Shares of Re.1 each fully paid up at Par at an issue price of Rs.1 aggregating to Rs.2,50,00,000 (Rupees Two Crores Fifty Lakhs) at a Board Meeting held on June 20, 2019

Note 3: (B) Reconciliation of the number of Equity shares outstanding at the beginning and at the end of reporting year

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Numbers	Amount in Rs.	Numbers	Amount in Rs.
Shares outstanding at the beginning of the period	100,000	100,000	100,000	100,000
Shares Issued during the period	-	-	-	-
Shares bought back during the period	-	-	-	-
Shares outstanding at the end of the period	100,000	100,000	100,000	100,000

Rights, restrictions and preferences attached to equity shares

Each shareholder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of 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.



MRUGNAYANI INFRASTRUCTURES PRIVATE LIMITED

Notes forming part of the financial statements

Note 3: (C) Reconciliation of the number of preference shares outstanding at the beginning and at the end of reporting year:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Numbers	Amount in Rs.	Numbers	Amount in Rs.
Shares outstanding at the beginning of the period	24,500,000	24,500,000	24,500,000	24,500,000
Shares Issued during the period	25,000,000	25,000,000	-	-
Shares bought back during the period	-	-	-	-
Shares outstanding at the end of the period	49,500,000	49,500,000	24,500,000	24,500,000

Rights, restrictions and preferences attached to preference shares

The Preference shares shall be redeemed within period of 15 years from date of allotment at such premium as may be decided by the board of Directors, in accordance with provision of Section 55 of the The Companies Act, 2013 out of profits available for distribution as dividend or out of proceeds of a fresh issue of shares made for the purpose of redemption. The preference shares are 1% Redeemable Non-Convertible, Non-Cumulative, Non-Convertible and Non-Participating Preference since June 10, 2019, earlier coupon rate was 0%.

Note 3: (D) Details of shareholders holding of equity shares in the Company (Holding more than 5 %)

Name of Shareholders	As at 31st March, 2020		As at 31st March, 2019	
	Numbers	% of Holding	No. of Shares held	% of Holding
Shradha Infracore Limited (Formerly known as Shradha Infracore (Nagpur) Limited)	51,000	51.00%	51,000	51.00%
Mr. Chaitanya Kochar	49,000	49.00%	49,000	49.00%

Note 3: (E) Details of shareholders holding of 1% Redeemable Non-Cumulative Non-Convertible Non-Participating preference shares in the Company (Holding more than 5 %)

Name of Shareholders	As at 31st March, 2020		As at 31st March, 2019	
	Numbers	% of Holding	No. of Shares held	% of Holding
Nikita Sales LLP	1,799,990	3.64%	1,800,000	7.35%
Palak Sales LLP	2,500,000	5.05%	2,500,000	10.20%
Jupiter Communication LLP	2,600,000	5.25%	2,600,000	10.61%
Vitraag Agriculture Private Limited	4,400,000	8.89%	4,400,000	17.96%
Action Dealers Private Limited	12,500,010	25.25%	-	0.00%
Brightcareer Consultancy Services Private Limited (Earlier Smart It-Concepts (Ngp) Private Limited pursuant to Demerger order)	24,750,000	50.00%	12,250,000	50.00%



MRUGNAYANI INFRASTRUCTURES PRIVATE LIMITED

Notes forming part of the financial statements

Note : 4 Reserves & Surplus

Sr. No	Particulars	As at	As at
		31st March, 2020	31st March, 2019
		Amount in Rs.	Amount in Rs.
A.	Profit/ (Loss) in Statement of Profit and Loss		
	Opening balance	(864,366)	3,442,700
	Add: Surplus in Statement of Profit and Loss	(663,140)	(4,307,066)
Closing balance		(1,527,506)	(864,366)

Note :5 Trade Payables

Sr. No	Particulars	As at	As at
		31st March, 2020	31st March, 2019
		Amount in Rs.	Amount in Rs.
A.	Trade payables:		
	(A) Total Outstanding dues of Micro Enterprises & Small Enterprises	-	-
	(B) Total Outstanding dues of Creditors Other than Micro Enterprises & Small Enterprises	156,290	296,121
Total		156,290	296,121

Note :6 Other Current Liabilities

Sr. No	Particulars	As at	As at
		31st March, 2020	31st March, 2019
		Amount in Rs.	Amount in Rs.
A.	Other Payables		
	(i) TDS Payable	-	500
	(ii) Profession Tax Payable	200	200
	(iii) Expenses Payable	40,592	54,817
	(iv) Booking Advance/ Deposits	83,140,583	89,023,583
	(v) Book Overdraft	52,864	-
	(vi) Bank Overdraft	-	20,629,859
Total		83,234,239	109,708,959



MRUGNAYANI INFRASTRUCTURES PRIVATE LIMITED
Notes forming part of Accounts for the period ended 31st March, 2020

Note 7: Property, Plant and Equipment

Sr. No.	Particulars	Rate (WDV)	Gross Block				Depreciation				Net Block	
			As on 01-04-2019	Additions	Deletions	As on 31-03-2020	Upto 01-04-2019	For 2019-2020	Sale 2019-2020	Upto 31-03-2020	As on 31-03-2020	As on 31-03-2019
1	Office Equipments	44.60%	10,190	-	-	10,190	9,680	-	-	9,680	510	510
2	Computer & printers	63.16%	229,977	-	-	229,977	145,399	53,419	-	198,818	31,159	84,578
Total			240,167	-	-	240,167	155,079	53,419	-	208,498	31,669	85,088
Previous Year			240,167	-	-	240,167	10,078	145,001	-	155,079	85,088	230,089



MRUGNAYANI INFRASTRUCTURES PRIVATE LIMITED

Notes forming part of the financial statements

Note : 8 Deferred tax liability / (Assets) -net

Sr. No	Particulars	As at	As at
		31st March, 2020	31st March, 2019
		Amount in Rs.	Amount in Rs.
1	Opening Deferred Tax liability / (Assets)	(6,862)	11,690
	Add: Deferred tax liability (reversed)/ created on the timing difference created due to Depreciation on Income Tax	(2,366)	-18,552
Opening Deferred Tax liability / (Assets)		(9,228)	(6,862)

Note : 9 Non-current Investments

Sr. No	Particulars	As at	As at
		31st March, 2020	31st March, 2019
		Amount in Rs.	Amount in Rs.
A.	Investment in Securities (Unquoted)		
	3,110 shares fully paid up shares of Rs 100 each Wardhaman Urban Cooperative Bank Limited	-	311,100
Total		-	311,100

Note : 10 Inventories

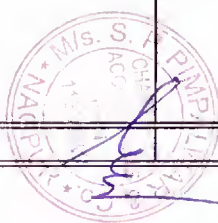
Sr. No	Particulars	As at	As at
		31st March, 2020	31st March, 2019
		Amount in Rs.	Amount in Rs.
1	a) Stock of Finished Goods		
	Opening Balance	131,816,683	138,192,507
	Add: Expenses/ Purchase during the year	1,558,635	1,174,817
	Less: Cost of Units sold during the year	2,144,473	7,550,641
	Closing Stock of Finished Goods	131,230,845	131,816,683
Total		131,230,845	131,816,683

Note : 11 Cash & Bank Balances

Sr. No	Particulars	As at	As at
		31st March, 2020	31st March, 2019
		Amount in Rs.	Amount in Rs.
	Cash & Cash Equivalents.		
1	Cash in hand	82,874	82,878
2	Balances with banks		
	(i) In current accounts	32,914	1,132,787
Total		115,788	1,215,665

Note : 12 Short Term Loans & Advances

Sr. No	Particulars	As at	As at
		31st March, 2020	31st March, 2019
		Amount in Rs.	Amount in Rs.
A.	Advance Against Expenses		
	Unsecured, Considered good	-	222,786
B.	Deposits	70,530	70,530
C.	Advance Tax and TDS	4,963	-
D.	Other	-	12,000
Total		75,493	305,316



MRUGNAYANI INFRASTRUCTURES PRIVATE LIMITED

Notes forming part of the financial statements

Note : 13 Revenue from operation

Sr. No	Particulars	For the year ended	For the year ended
		31st March, 2020	31st March, 2019
		Amount in Rs.	Amount in Rs.
1	Sale of Commercial units	3,064,000	8,548,000
Total		3,064,000	8,548,000

Note : 14 Other Income

Sr. No	Particulars	For the year ended	For the year ended
		31st March, 2020	31st March, 2019
		Amount in Rs.	Amount in Rs.
1	Other Income	-	46,650
Total		-	46,650

Note: 15 Construction Cost for the units Sold

Sr. No	Particulars	For the year ended	For the year ended
		31st March, 2020	31st March, 2019
		Amount in Rs.	Amount in Rs.
1	Opening Balance	131,816,683	138,192,507
2	Add: Construction cost during the year (Including Material, Labour Charges etc)	1,558,635	1,174,817
3	Less: Closing Stock	131,230,845	131,816,683
Cost of Goods Sold (1+2-3)		2,144,473	7,550,641

Note: 16 Employee Benefit Expenses

Sr. No	Particulars	For the year ended	For the year ended
		31st March, 2020	31st March, 2019
		Amount in Rs.	Amount in Rs.
1	Salary	200,858	372,948
Total		200,858	372,948

Note : 17 Finance Costs

Sr. No	Particulars	For the year ended	For the year ended
		31st March, 2020	31st March, 2019
		Amount in Rs.	Amount in Rs.
1	Bank Charges	3,830	3,336
2	Interest on loans	-	465,628
3	Bank Interest	596,964	3,335,337
Total		600,794	3,804,301



MRUGNAYANI INFRASTRUCTURES PRIVATE LIMITED

Notes forming part of the financial statements

Note : 18 Other Administrative and Selling Expenses

Sr. No	Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
		Amount in Rs.	Amount in Rs.
1	Audit Fees	5,750	5,750
2	ROC and Legal Charges	269,620	112,720
3	Professional Tax	5,000	5,000
4	Professional Fees	21,240	23,240
5	Electricity Expenses	305,370	186,941
6	Insurance Expenses	10,639	22,541
7	Security Expenses	-	531,592
8	Labour Charges	24,371	-
9	Printing & Stationary	2,912	11,093
10	Repairing & Maintenance Expenses	990	125
11	Telephone Expenses	4,308	5,435
12	Advertisement Expenses	13,724	12,658
13	Rent Expenses	12,000	10,000
14	Office Expenses	25,365	24,675
15	Conveyance Expenses	1,340	987
16	Miscellaneous Expenses	15,233	38,734
17	Balance Written off	12,100	-
Total		729,962	991,491



Note 19 : Additional information to the financial statements

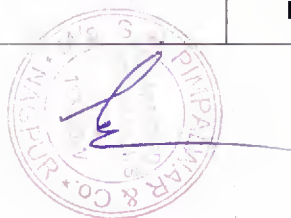
- 1) There is no capital commitment as on the Balance Sheet date.
- 2) There are no Contingent Liabilities as on the Balance Sheet Date
- 3) Auditors Remuneration : As at 31st March, 2020 As at 31st March, 2019
For Statutory Audit Rs. 5,750/- Rs. 5,750/-

4) Earnings per shares:

Particulars	Year ended 31 st March, 2020	Year ended 31 st March, 2019
Net Profit attributable to shareholders	(6,63,140)	(43,07,066)
Equity Shares outstanding as at the end of the year (in nos.)	1,00,000	1,00,000
Nominal Value per Equity Share (in Rs.)	1	1
Earnings Per Equity Share (Basic) (in Rs.)	(6.63)	(43.07)
Earnings Per Equity Share (Diluted) (in Rs.)	(6.63)	(43.07)

- 5) Details of dues to micro and small enterprises as per MSMED Act, 2006 to the extent of information available with the Company:

Particulars	2019-20	2018-19
	In Rs	In Rs
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	NIL	NIL
The amount of interest paid by the buyer in terms of section 16, of the micro small and medium enterprise development act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under micro small and medium enterprise development act, 2006.	NIL	NIL
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the micro small and medium enterprise development act, 2006	NIL	NIL
Total	NIL	NIL



6) **Related Party Disclosures:**

A. Name of related parties and description of relationship:

Name of Related Party	Nature of relationship
M/s Shradha Infraprojects Limited (Formerly known as Shradha Infraprojects (Nagpur) Limited)	Holding Company

B. Transaction during the year with related parties:

NIL

C. The details of amounts due to or due from related parties as at March 31, 2020 are as follows:

NIL

7) C.I.F. value of Imports, Expenditures and Earnings in Foreign Currencies:

As at 31st March, 2020

a) C.I.F. value of Import	Nil
b) Expenditure in Foreign Currencies	Nil
c) Earnings in Foreign Currencies	Nil

8) Closing balances are subject to confirmation by third parties.

9) Last year figures have been regrouped wherever necessary.

Signatures to Notes 1 to 19
As per our report of even date attached

For S. P. Pimpalwar & Co.

Chartered Accountants

Firm Reg. No.: 113395 W



CA S. P. Pimpalwar

Partner

Membership No. 41078

Nagpur, June 29, 2020

UDIN: 20041078AAAAAH2317

For and on behalf of the Board of Directors



Ms. Alpana Wazarkar

Director



Ms. Karnika Bothra

Director

Nagpur, June 29, 2020