

INDEPENDENT AUDITOR'S REPORT

To the Members of
MRN CHAMUNDI CANEPOWER AND BIOREFINERIES PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of MRN CHAMUNDI CANEPOWER AND BIOREFINERIES PRIVATE LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of profit and loss, (statement of changes in equity) for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory statements.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 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, 2021, and its loss, (changes in equity) for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standard 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information:

The Company's Board of Directors is responsible for the other information. The other information comprises the Board Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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



Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

1. The provisions of 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 is not applicable to the Company since
 - (a) It is not a subsidiary or holding company of a public company;
 - (b) Its paid-up capital and reserves and surplus are not more than Rs.1 Crores as at the balance sheet date;
 - (c) Its total borrowings from banks and financial institutions are not more than Rs.1 Crores at any time during the year; and
 - (d) Its turnover for the year is not more than Rs.10 Crores during the year.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, (the Statement of Changes in Equity) dealt with by this Report are in agreement with the books of account.
 - (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.



MRN Chamundi Canepower And Biorefineries Private Limited

CIN: U15424KA2020PTC142790

Balance Sheet As at March 31st, 2021

(Amount in Rupees unless otherwise stated)

Particulars	Note No	As at March, 31, 2021
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	2	1,00,000
Reserves and surplus	3	-30,000
		<u>70,000</u>
Non Current Liabilities		
Long Term Borrowings	4	-
Deferred Tax Liability(Net)	5	-
		<u>-</u>
Current liabilities		
Short-term Provisions	6	-
Trade payables	7	-
Other current liabilities	8	70,000
		<u>70,000</u>
Total Liabilities		<u><u>1,40,000</u></u>
ASSETS		
Property, Plant and Equipment		-
Intangible Assets		-
Long Term Loans and Advances		-
Other non-current assets	9	40,000
		<u>40,000</u>
Current assets		
Inventories		-
Trade receivables	10	-
Cash and cash equivalents	11	1,00,000
Other current assets	12	-
		<u>1,00,000</u>
Total Assets		<u><u>1,40,000</u></u>
Summary of Significant Accounting Policies	1	
#REF!		

As per my report of even date

for YCRJ & Associates

Chartered Accountants

FRN: 006927S

Nataraj V Angadi
Partner

M. No.: 204729

Place: Bangalore

Date: 27.11.2021

For and on Behalf of Board of Directors

MRN Chamundi Canepower And Biorefineries
Private LimitedVijaykumar Nirani
Director

DIN: 07413777

Place: Mudhol

Date: 26.11.21

Vishal Nirani
Director

DIN: 08434032

Place: Mudhol

Date: 26.11.21

MRN Chamundi Canepower And Biorefineries Private Limited

CIN:U15424KA2020PTC142790

Statement of Profit & Loss for the period ended on March 31st, 2021
(Amount stated in Rupees unless otherwise mentioned)

Particulars	Note No	For the year ended 31 March, 2021
Income		
Revenue from operations	1	-
Other income		-
Total Revenue		<u>-</u>
Expenses:		
Purchase of stock in Trade	2	-
Change In Inventories		-
Employee benefits expense	3	-
Depreciation and amortization expense		-
Other Expenses	4	30,000.00
Total		<u><u>30,000.00</u></u>
Profit Before Tax (PBT)		<u><u>-30,000.00</u></u>
Less: Tax expense		
Current Year Tax		-
Deferred tax Liability		-
MAT Credit Entitlement		-
Total Tax Expense		<u>-</u>
Profit for the period		<u><u>-30,000.00</u></u>
Earnings per equity share:		
Basic	17	-12.00

Summary of Significant Accounting Policies
#REF!

1

As per my report of even date
for YCRJ & Associates
Chartered Accountants
FRN: 006927S

For and on Behalf of Board of Directors
MRN Chamundi Canepower And Biorefineries
Private Limited

Nataraj V Angadi
Partner
M. No.: 204729
Place: Bangalore
Date: 27.11.21



Vijaykumar Nirani
Director
DIN: 07413777
Place: Mudhol
Date 26.11.21

Vishal Nirani
Director
DIN: 08434032
Place: Mudhol
Date 26.11.21

MRN Chamundi Canepower And Biorefineries Private Limited

Notes to Accounts-Balance Sheet As at March 31st, 2021

(Amount in Rupees unless otherwise stated)

2. Share Capital

The Authorised, Issued, subscribed and fully paid up share capital comprises of equity shares having par value of Rs.10 each as follows

Particulars	Amount in Rs.	
	As at 31 March, 2021	
Authorised		
1,00,000 Equity Shares of ₹ 10 each		10,00,000
Total		10,00,000
Issued, Subscribed & Paid up		
10,000 Equity Shares of ₹ 10 each		1,00,000
Total		1,00,000

Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at 31 March, 2021	
	No's	Amount
At the beginning of the period		
Issued during the period	10,000	1,00,000
Outstanding at the end of the period	10,000	1,00,000

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 shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2021, the company has not proposed for any dividend payable to the share holders.

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 shareholder.

A. Details of Share Holders holding more than 5% shares in the company

	No. of Shares held as on 31 March, 2021	% of Holding
Vijaykumar Nirani	1,430	14.30%
Vishal Murugesh Nirani	1,430	14.30%
Sangamesh Rudrappa Nirani	1,428	14.28%
Shrishail Rudrappa Nirani	1,428	14.28%
Dhirsakayani S Nirani	1,428	14.28%
Hanumant Rudrappa Nirani	1,428	14.28%
Kamala Murugesh Nirani	1,428	14.28%
Total	10,000	100%

As per records of the company, including its register of shareholders, members & other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



MRN Chamundi Canepower And Biorefineries Private Limited

Notes to Accounts-Balance Sheet As at March 31st, 2021
(Amount Stated in rupees Unless Otherwise Stated)

	<u>As at March 31,2021</u>
3 Reserves and Surplus	
Surplus/(Deficit) in the Statement of Profit and Loss	
Balance at the Beginning of the year	-
Add: Profit for the year	-30,000.00
Balance at the End of the year	-30,000.00
4 Long term Borrowings	
Loan from Directors and relatives	-
Total	-
5 Deferred Tax Liability(Net)	
Opening	-
Deferred Tax Liability on Account of Depreciation	-
Total	-
6 Short Term Provisions	
Provision for Income tax	-
Provisions	-
Total	-
7 Trade Payables	
Due to MSME's	
Others	-
Total	-
8 Other Current Liabilities	
Statutory Liabilities	-
Other Payables	50,000.00
Other Current Liabilities	20,000.00
Total	70,000.00
9 Other non-current assets	
Preliminary Expenses (Rs 50,000-Rs.10,000)	40,000.00
Total	40,000.00
10 Trade Receivables	
(Unsecured, considered good)	
Outstanding for a period not exceeding six months from the date they are due for payment	
Others	-
Total	-
11 Cash And Cash Equivalents	
Balances with banks	
In Current Accounts	-
Cash in hand	1,00,000.00
Total (a+b)	1,00,000.00
12 Other Current Assets	
TDS Receivable	-
Other Current Assets	-
Advances paid to Creditors	
Total	-



MRN Chamundi Canepower And Biorefineries Private Limited

Notes to Accounts-Profit & Loss for the period ended on March 31st, 2021

(Amount in Rupees unless otherwise stated)

	For the Year Ended 31 March, 2021
13 Revenue from Operations	
Income from Sale of Services	-
Total	-
14 Purchases of Stock-in-Trade	
Purchases	-
Total	-
15 Employee benefits expense	
Salaries	-
Staff Welfare Expenses	-
Total	-
16 Other Expenses	
Audit Fee	20,000.00
Professional and Consultancy Charges	-
Other Expenses	10,000.00
Total	30,000.00
*Payment to auditors	
Fee for statutory Audit	15,000.00
Fees for Tax Audit	5,000.00
Total	20,000.00



MRN Chamundi Canepower And Biorefineries Private Limited

Notes to Accounts-Profit & Loss for the period ended on March 31st, 2021

(Amount Stated in Rupees Unless Otherwise stated)

17 Earnings Per Share(EPS)

Particulars	Amount in Rs
A. Net Profit After Tax Considered For The Calculation Of EPS	(30,000)
B. Weighted Average Number Of Equity Shares Used In Computing EPS	2,500
C. Earnings Per Share Basic	(12.00)



MRN CHAMUNDI CANEPOWER AND BIOREFINERIES PRIVATE LIMITED

166, Kulali Cross, Jamkhandi, Mudhol, 587313

Karnataka India

CIN : U15424KA2020PTC142790

1. SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS

A. Significant Accounting Policies

1. Corporate Information:-

Incorporated on 30/12/2020, **MRN CHAMUNDI CANEPOWER AND BIOREFINERIES PRIVATE LIMITED** is engaged in manufacturing, Produce, process, Crush, extract refine, Convert, Commercialize and to deal in all varieties, colors, dimensions, descriptions, characteristics, application, and use of sugars including cane sugar, beet sugar khandsari sugar, Jaggery of all kind and varieties and their bye products such as molasses, Press mud, Baggase. To carry on business as manufacturers, distillers, bottlers, brewers producers, traders, exporters and importers. **The company registered office is located at SY No 166, Kulali Cross, Jamkhandi Road, Mudhol 587313.**

2. Basis of accounting:-

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared under the historical cost convention on accrual basis.

3. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

4. Revenue Recognition:-

Expenses and Income considered payable and receivable respectively are accounted for on accrual basis. Except discounts claims relates and retirement benefits in respect of leave encashment which cannot be determined with certainty during the year.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

5. Fixed Assets :-

Fixed Assets Are stated at their original cost of acquisition including taxes freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.



6. **Depreciation** :-

Consequent to enforcement of companies Act, 2013, the Depreciation on fixed assets has been provided as per schedule II of the said act taking into account the useful life of the assets as given in the schedule.

7. **Foreign currency Transactions**: -

Not Applicable

8. **Investments** :-

NIL

9. **Inventories** :-

NIL

10. **Miscellaneous Expenditure**:-

Miscellaneous Expenditure comprises of Preliminary Expenses are amortised over a period of five years.

11. **Retirement Benefits**:-

No retirement benefits were provided.

12. **Taxes on Income**:-

Nil

General:

Accounting Policies not specifically referred to otherwise be consistent and in consonance with generally accepted accounting principles.

(B) Notes on Financial Statements

1. The SSI status of the creditors is not known to the Company; hence the information is not given.
2. Salaries includes directors remuneration on account of salary Rs.Nil (Previous Year is Nil)
3. Sundry Creditors, Sundry Debtors, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.
4. Consumption of consumables and raw material have been arrived by adding purchases to opening stock & deducted closing stock there from.

5. Payments to Auditors:

Auditors Remuneration	2020-21
Audit Fees	20,000
Total	20,000

6. Loans and Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.
7. Excise Duty has not been taken into accounted for valuation of finished goods looking at factory site in view of accounting policy No.9. The same has no impact on Statement of Profit And loss.



8. No provision For Leave encashment has been made in view of accounting policy No.8
The impact of the same on profit & Loss is not determined
9. Advance to others includes advances to concerns in which directors are interested:
NIL

(A) Related Parties and their Relationship

(I) Key Management Personnel

1. Sangamesh Rudrappa Nirani - Director
2. Vijaykumar Nirani - Director
3. Vishal Nirani – Director

II) Relative of Key Management Personnel – NIL

Transaction with related parties: NIL

10. **Expenditure in Foreign Currency** Nil Nil

11. **Earning in Foreign Exchange** Nil Nil

In terms of Our Separate Audit Report of Even Date Attached.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For YCRJ & Associates
Chartered Accountants
(FRN: 006927S)





Nataraj V Angadi
Partner
Membership No.: 204729

Place: Bangalore
Date: 27.11.2021



For and on behalf of the Board of Directors


Vijaykumar Nirani
Director
DIN: 07413777


Vishal Nirani
Director
DIN: 08434032

- (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) In terms of notification G.S.R 583 (E) dated 13th June, 2017 issued by the Ministry of corporate affairs, reporting as required under section 143(1)(i) of the Act is not applicable to the company.
- (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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For YCRJ & Associates
Chartered Accountants
(FRN: 006927S.)



Nataraj V Angadi
Partner
(M. No.204729)



Place: Bangalore

Date: 27.11.2021