

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 2022, 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, 2022, 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.
- (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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.
 - a. The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediary"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The management has represented, that, to the best of it's knowledge and belief, no funds have been received by the company from any person or entity, including foreign entity ("Funding Party"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries



- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- iv. The Company has not paid any dividend during the year. Hence, provisions of section 123 of the Companies Act, 2013 are not applicable.

As per our report of even date

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



Nataraj V Angadi
Partner
(M. No. 204729)

Place: Bangalore
Date: 27.08.2022

MRN Chamundi Canepower And Biorefineries Private Limited

CIN:U15424KA2020PTC142790

Balance Sheet As at March 31st, 2022

(Amount in Rupees unless otherwise stated)

Particulars	Note No	As at March, 31, 2022	As at March, 31, 2021
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	1,00,000	1,00,000
Reserves and surplus	3	-60,030	-30,000
		39,970	70,000
Non Current Liabilities			
Long Term Borrowings	4	1,000	-
Deferred Tax Liability(Net)	5	-	-
		1,000	-
Current liabilities			
Short-term Provisions	6	-	-
Trade payables	7	-	-
Other current liabilities	8	90,000	70,000
		90,000	70,000
Total Liabilities		1,30,970	1,40,000
ASSETS			
Property, Plant and Equipment		-	-
Intangible Assets		-	-
Long Term Loans and Advances		-	-
Other non-current assets	9	30,000	40,000
		30,000	40,000
Current assets			
Inventories		-	-
Trade receivables	10	-	-
Cash and cash equivalents	11	1,00,970	1,00,000
Other current assets	12	-	-
		1,00,970	1,00,000
Total Assets		1,30,970	1,40,000
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: 27.08.2022

For and on Behalf of Board of Directors

MRN Chamundi Canepower And Biorefineries
Private Limited



Vijaykumar Nirani
Director

DIN: 07413777

Place: Mudhol

Date: 26.08.2022

Vishal Nirani
Director

DIN: 08434032

Place: Mudhol

Date: 26.08.2022

MRN Chamundi Canepower And Biorefineries Private Limited

CIN:U15424KA2020PTC142790

Statement of Profit & Loss for the period ended on March 31st, 2022
(Amount stated in Rupees unless otherwise mentioned)

Particulars	Note No	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Income			
Revenue from operations	13	-	-
Other income		-	-
Total Revenue		-	-
Expenses:			
Purchase of stock in Trade	14	-	-
Change In Inventories		-	-
Employee benefits expense	15	-	-
Depreciation and amortization expense		-	-
Other Expenses	16	30,030.00	30,000.00
Total		30,030.00	30,000.00
Profit Before Tax (PBT)		-30,030.00	-30,000.00
Less: Tax expense			
Current Year Tax		-	-
Deferred tax Liability		-	-
MAT Credit Entitlement		-	-
Total Tax Expense		-	-
Profit for the period		-30,030.00	-30,000.00
Earnings per equity share:			
Basic	17	-3.00	-12.00

Summary of Significant Accounting Policies

1

#REF!

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: 27.08.2022

Vijaykumar Nirani
Director
DIN: 07413777
Place: Mudhol
Date: 26.08.2022

Vishal Nirani
Director
DIN: 08434032
Place: Mudhol
Date: 26.08.2022

MRN Chamundi Canepower And Biorefineries Private Limited

CIN:U15424KA2020PTC142790

Notes to Accounts-Balance Sheet As at March 31st, 2022

(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, 2022	As at 31 March, 2021
Authorised		
1,00,000 Equity Shares of ₹ 10 each	10,00,000	10,00,000
Total	10,00,000	10,00,000
Issued, Subscribed & Paid up		
10000 Equity Shares of ₹ 10 each	1,00,000	1,00,000
Total	1,00,000	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, 2022		As at 31 March, 2021	
	No's	Amount	No's	Amount
At the beginning of the period	10,000	1,00,000	-	-
Issued during the period	-	-	10,000	1,00,000
Outstanding at the end of the period	10,000	1,00,000	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 2022, 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, 2022	% of Holding	No. of Shares held as on 31 March, 2021	% of Holding
Vijaykumar Nirani	1,430	14.30%	1,430	14.30%
Vishal Murugesh Nirani	1,430	14.30%	1,430	14.30%
Sangamesh Rudrappa Nirani	1,428	14.28%	1,428	14.28%
Shrishail Rudrappa Nirani	1,428	14.28%	1,428	14.28%
Dhraksayani S Nirani	1,428	14.28%	1,428	14.28%
Hanumant Rudrappa Nirani	1,428	14.28%	1,428	14.28%
Kamala Murugesh Nirani	1,428	14.28%	1,428	14.28%
Total	10,000	100%	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]

CIN:U15424KA2020PTC142790

Notes to Accounts-Balance Sheet As at March 31st, 2022

(Amount Stated in rupees Unless Otherwise Stated)

	<u>As at March 31,2022</u>	<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	-30,000.00	-
Add: Profit for the year	-30,030.00	-30,000.00
Balance at the End of the year	-60,030.00	-30,000.00
4 Long term Borrowings		
Loan from Directors and relatives	1,000.00	-
Total	1,000.00	-
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	50,000.00
Other Current Liabilities	40,000.00	20,000.00
Total	90,000.00	70,000.00
9 Other non-current assets		
Preliminary Expenses (Rs 40,000-Rs.10,000)	30,000.00	40,000.00
Total	30,000.00	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	1,00,970	-
Cash in hand	-	1,00,000
Total (a+b)	1,00,970	1,00,000
12 Other Current Assets		
TDS Receivable	-	-
Other Current Assets	-	-
Advances paid to Creditors	-	-
Total	-	-



MRN Chamundi Canepower And Biorefineries Pr

CIN:U15424KA2020PTC142790

Notes to Accounts-Profit & Loss for the period ended on March 31st, 2022

(Amount in Rupees unless otherwise stated)

	For the Year Ended 31 March, 2022	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	20,000.00
Professional and Consultancy Charges	-	-
Bank Charges	30.00	-
Other Expenses	10,000.00	10,000.00
Total	30,030.00	30,000.00
*Payment to auditors		
Fee for statutory Audit	15,000.00	15,000.00
Fees for Tax Audit	5,000.00	5,000.00
Total	20,000.00	20,000.00



MRN Chamundi Canepower And Biorefineries Private Limited

Balance Sheet As at March 31st, 2022

(Amount Stated in Rupees Unless Otherwise stated)

17 Earnings Per Share(EPS)

Particulars	Amount in Rs	Amount in Rs
A. Net Profit After Tax Considered For The Calculation Of EPS	(30,030)	(30,000)
B. Weighted Average Number Of Equity Shares Used In Computing EPS	10,000	2,500
C. Earnings Per Share Basic	(3.00)	(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	2021-2022	2020-2021
Audit Fees	20,000	20,000
Total	20,000	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 account 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

- Sangamesh Rudrappa Nirani - Director
- Vijaykumar Nirani - Director
- 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

For and on behalf of the Board of Directors



Vijaykumar Nirani
Director
DIN: 07413777

Vishal Nirani
Director
DIN: 08434032

Place: Bangalore
Date: 27.08.2022