



## MARG Projects and Infrastructure Limited

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12/11/2020

THE BOMBAY STOCK EXCHANGE LIMITED  
DEPARTMENT OF CORPORATE SERVICES  
PHIROZE JEEJEEBHOY TOWERS,  
DALAL STREET  
MUMBAI — 400001

**Sub: Outcome of the Board Meeting held on 12/11/2020**

Dear Sir/Madam,

This is further to our Notice dated 05/11/2020, informing you that the meeting of the Board of Directors of the Company held on 12/11/2020, has approved the following:


Unaudited Financial Results for the Second Quarter / Half year ended 30th September 2020 (Copy enclosed).

Kindly take it on record.

Thanking You

Yours truly

For Marg Projects and Infrastructure Limited

  
Jan Mohan Mohapatra  
Company Secretary

MARG PROJECTS & INFRASTRUCTURE LIMITED

CIN: L65991TN1993PLC025252

Regd Add: Sri sai subhodhaya Apartments, Basement No.57/2B, East Coast Road, Thiruvanniyur Chennai TAMILNADU 600041 INDIA  
STATEMENT OF AUDITED FINANCIAL RESULTS (STANDALONE) FOR THE QUARTER ENDED 30TH SEP 2020

Sr No	Particulars	Rs in Lacs					
		Quarter Ended			Half Yearly Ended		Year Ended
		30-Sep-20 (Unaudited)	30-Jun-20 (Unaudited)	30-Sep-19 (Unaudited)	30-Sep-20 (Unaudited)	30-Sep-19 (Unaudited)	31-Mar-20 (Audited)
1	Revenue from Operations	-	-	-	-	-	-
	(a) Net Sales/income from operations	-	-	-	-	-	-
	(b) Other operating income	-	-	-	-	-	-
2	Other income	-	-	-	-	-	-
3	Total Income(1+2)	-	-	-	-	-	-
4	Expenses	-	-	-	-	-	-
	(a) Cost of materials consumed	-	-	-	-	-	-
	(b) Excise duty	-	-	-	-	-	-
	(c) Purchase of stock-in-trade	-	-	-	-	-	-
	(d) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-	-
	(e) Employee benefits expenses	0.75	2.25	1.50	3.00	1.50	1.50
	(f) Finance Costs	-	-	-	-	-	0.00
	(g) Depreciation and amortisation expense	2.36	2.36	3.20	4.73	6.40	12.81
	(h) Other expense	-	0.88	0.22	0.88	3.02	7.80
	Total Expenses	3.11	5.49	4.92	8.60	10.92	22.11
5	Profit before tax (3-4)	(3.11)	(5.49)	(4.92)	(8.60)	(10.92)	(22.11)
6	Tax Expenses	-	-	-	-	-	-
	(a) Current tax	-	-	-	-	-	-
	(b) Short provision of income tax in respect of earlier years	-	-	-	-	-	-
	(c) Deferred tax charge/ (credit)	-	-	0.04	-	0.08	-
7	Profit for the period (5-6)	(3.11)	(5.49)	(4.96)	(8.60)	(11.00)	(22.11)
8	Other Comprehensive income	-	-	-	-	-	-
	(i) Items that will not be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	(iii) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(iv) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total other comprehensive income, net of income tax	-	-	-	-	-	-
9	Total comprehensive income (7+8)	(3.11)	(5.49)	(4.96)	(8.60)	(11.00)	(22.11)
10	Paid-up equity share capital (Face value Rs.10 each)	544.50	544.50	544.50	544.50	544.50	544.50
11	Earnings per share Face value of Rs. 10 each (not annualised):						
	(a) Basic (Rs.)	(0.06)	(0.10)	(0.09)	(0.16)	(0.20)	(0.41)
	(b) Diluted (Rs.)	(0.06)	(0.10)	(0.09)	(0.16)	(0.20)	(0.41)
	See accompanying notes to the Financial Results						

**Notes**

- The above financial results have been reviewed by the audit committee and thereafter approved and taken on record by the Board of Directors in their respective meetings
- Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current period 's classification / disclosure.
- The company's certain bank accounts were attached by Income Tax Investigation Wing. The Company has initiated necessary actions to uplift the attachment.
- The Company has not recognized interest income for the year ended 30th September 2020 on loan given. Consequently the loss for the year ended 30th September 2020 are overstated by 8.60 lakhs, Other equity and Financial Assets as on 30th September 2020 are understated by the same amount.
- The company has not carried out fair valuation for the investment of Rs.164.80 Lakhs as per Ind AS 109 "Financial Instrument".
- The company has not impaired in respect of advances given to some parties amounting to Rs.1385 Lakhs as required by Ind AS 109 "Financial Instrument".

Certain acquisitions of shares of Marg Ltd were made by the promoter group (23 Noticees includes Marg Projects and Infrastructures Limited as one of the entity) during the financial years 2006-07, 2007-08 and 2010-11. SEBI has observed that the above mentioned acquisitions by the promoter group of the Marg Ltd resulted in a breach of 5% creeping acquisition limit under regulation 11(1) of the SAST Regulations in a financial year. In view of the same, the promoter group of the Marg Ltd were required to make public announcement on the respective dates during the financial years 2006-07, 2007-08 and 2010-11 as per regulation 11(1) read with regulation 14(2) of the SAST Regulations. As a result of the above acquisitions, it was alleged that the gross acquisitions of the aforesaid promoter group entities during the financial years 2006-07, 2007-08 and 2010-11 breached the 5% limit specified under Regulation 11(1) of the SAST Regulations. Hence, the said 23 entities (Promoter Group of Marg Ltd) were required to make a public announcement in accordance with the provisions of Regulation 14(2) of the SAST Regulations during the respective financial years. SEBI has imposed a penalty of Rs.74.75 Crores under Section 15H (ii) of SEBI Act upon the 22 Notices on account of the above said issues vide order dated 16th March 2020. However, promoter group has filed an appeal against said order.

For Marg Projects & Infrastructure Limited

  
Sivakumar Nathan  
Director  
Place: chennai  
Date: 12-November-2020

## MARG PROJECTS & INFRASTRUCTURE LIMITED

CIN: L65991TN1993PLC025252

Balance Sheet as at 30th September 2020

Particulars	Notes	Rs. In Lakhs	in INR	Rs. In Lakhs	in INR
		As at September 30, 2020	As at September 30, 2020	As at March 31, 2020	As at March 31, 2020
<b>I ASSETS</b>					
<b>1 Non-Current Assets</b>					
a. Property, Plant and Equipment	2	33.92	3,391,842	38.65	3,864,810
b. Capital Work In Progress					
c. Investment Property					
d. Goodwill					
e. Other Intangible Assets					
f. Intangible Assets under Development					
g. Biological Assets other than Bearer Plants					
h. Financial Assets					
i. Investments	3	164.80	16,480,100	164.80	16,480,100
ii. Trade Receivables		-		-	
iii. Loans	4	1,385.49	138,549,220	1,385.49	138,549,220
iv. Others( to be specified)		-		-	
i. Deferred Tax Assets ( Net)	5	10.55	1,054,731	10.55	1,054,731
j. Other non-current assets					
		1,594.76	159,475,893	1,599.49	159,948,861
<b>2 Current assets</b>					
a. Inventories	6		-		-
b. Financial Assets					
i. Investments					
ii. Trade Receivables	7	18.09	1,809,274	18.09	1,809,274
iii. Cash and Cash Equivalents	8	1.44	144,316	1.44	144,316
iv. Bank Balances other than iii)					
v. Loans	9	5.67	567,167	5.67	567,167
vi. Others( to be specified)	10	61.25	6,124,888	61.09	6,109,138
c. Current Tax Assets ( Net)					
d. Other Current Assets					
		86.46	8,645,645	86.30	8,629,895
<b>TOTAL ASSETS</b>		<b>1,681.22</b>	<b>168,121,538</b>	<b>1,685.79</b>	<b>168,578,756</b>
<b>II EQUITY AND LIABILITIES</b>					
<b>1 Equity</b>					
a. Equity Share Capital	11	544.50	54,450,000	544.50	54,450,000
b. Other Equity		1,041.81	104,181,126	1,050.42	105,041,594
		1,586.31	158,631,126	1,594.92	159,491,594
<b>2 Non-current Liabilities</b>					
a. Financial Liabilities					
i. Borrowings					
ii. Trade Payables					
iii. Other Financial Liabilities					
b. Provisions	12		-		-
c. Deferred tax liabilities ( net)	13		-		-
d. Other non-current liabilities					
<b>3 Current Liabilities</b>					
a. Financial Liabilities					
i. Borrowings	14		-		-
ii. Trade Payables	15	8.75	874,912	9.60	960,082
iii. Other Financial Liabilities	16		-		-
b. Other Current Liabilities	17	86.15	8,615,499	81.27	8,127,079
c. Provisions	18		-		-
d. Current tax Liabilities					
		94.90	9,490,411	90.87	9,087,161
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,681.22</b>	<b>168,121,538</b>	<b>1,685.79</b>	<b>168,578,756</b>
			-0		-0
<b>Summary of significant accounting policies</b>					
The accompanying notes are an integral part of the standalone financial statements					
	1				

For and on behalf of Board of Directors



Selvapandi  
Director



Sivakumar Nathan  
Director

MARG PROJECTS & INFRASTRUCTURE LIMITED

CIN: L65991TN1993PLC025252

Standalone Statement of Profit and Loss for the year ended September 30, 2020

Particulars	Notes	For the period ended September 30, 2020	For the year ended March 31, 2020
<b>I. INCOME</b>			
Revenue from Operations	18	-	-
Other Income	19	-	-
<b>Total Income</b>		-	-
<b>II. EXPENSES</b>			
Cost of Materials Consumed	20	-	-
Purchases of stock in trade		-	-
Changes in Inventories of finished goods, stock in trade and work in progress		-	-
Employee Benefit Expenses	21	300,000	150,000
Finance Costs	22	-	236
Depreciation and Amortization Expense	23	472,968	1,280,728
Other Expenses	24	87,500	779,808
<b>Total Expenses</b>		<b>860,468</b>	<b>2,210,772</b>
<b>III. Profit before Exceptional Items and tax (I+II)</b>		<b>(860,468)</b>	<b>(2,210,772)</b>
IV. Exceptional Items		-	-
<b>V. Profit(Loss) before tax (III+IV)</b>		<b>(860,468)</b>	<b>(2,210,772)</b>
<b>VI. Tax Expense</b>			
Current Tax		-	-
Deferred Tax		-	-
<b>VII. Profit( Loss) for the period (V+VI)</b>		<b>(860,468)</b>	<b>(2,210,772)</b>
VIII. Other Comprehensive Income			
A. Items that will not be reclassified to Profit or Loss			
Remeasurement of the defined benefit plans Income		-	-
<b>IX. Total Comprehensive Income for the period(XI+XII)</b>		<b>(860,468)</b>	<b>(2,210,772)</b>
X. Earnings per Equity Shares for continuing operations			
Basic		(0.16)	(0.41)
Diluted		(0.16)	(0.41)

For and on behalf of Board of Directors

  
Selvapandi  
Director

  
Sivakumar Nathan  
Director

## MARG PROJECTS & INFRASTRUCTURE LIMITED

### CASH FLOW STATEMENT

S No	Particulars	Year Ended 30-Sep-2020 Rs	Year Ended 31-Mar-2020 Rs
<b>A</b>	<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
	Net Profit before Taxation and Extraordinary Items	(860,468)	(2,210,772)
	Adjustment for:		
	Depreciation	472,968	1,280,728
	Finance Costs (Net)	-	-
	<b>Operating Profit before Working Capital Changes</b>	<b>(387,500)</b>	<b>(930,044)</b>
	Decrease (Increase) in Trade Receivable	-	-
	Decrease (Increase) in Inventories	-	-
	Decrease (Increase) in Short-term Loans & Advances	-	535,879
	Decrease (Increase) in Long-term Loans & Advances	-	-
	Decrease (Increase) in Other Current Assets	(15,750)	(104,752)
	Increase (Decrease) in Trade Payables	(85,170)	72,469
	Increase (Decrease) in Current Liabilities	488,420	426,212
	Increase (Decrease) in Short-term provisions	-	-
	Increase (Decrease) in Long-term provisions	-	-
	<b>Cash Generated from Operations</b>	<b>-</b>	<b>(236)</b>
	<b>Cash Flow before Extraordinary Items</b>	<b>-</b>	<b>(236)</b>
	Adjustment for Extraordinary Items (Preliminary Expenses)	-	-
	<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>-</b>	<b>(236)</b>
<b>B</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
	<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>-</b>	<b>-</b>
<b>C</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
	Finance Costs (Net)	-	-
	<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>	<b>-</b>	<b>-</b>
	<b>Net (Decrease) Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>-</b>	<b>(236)</b>
	Cash and Cash Equivalents at beginning of Year	144,316	144,552
	<b>Cash and Cash Equivalents at end of Year</b>	<b>144,316</b>	<b>144,316</b>

For and on behalf of Board of Directors

  
 Selvapandi  
 Director

  
 Sivakumar Nathan  
 Director

**MARG PROPERTIES LIMITED**  
**Notes To The Financial Statements**

**NOTE 2 : FIXED ASSETS**

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As At 31-Mar-20	Additions	Deductions/ Transfers	As At 30-Sep-20	Up to 31-Mar-20	For the year	Deletions	Up to 30-Sep-20	As At 30-Sep-20	As At 31-Mar-20
<b>TANGIBLE ASSET</b>										
<b>OTHER ASSETS</b>										
Plant & Machinery	52,896,746	-	-	52,896,746	49,057,380	472,762	-	49,530,142	3,366,604	3,839,366
Computers	470,430	-	-	470,430	446,908	-	-	446,908	23,522	23,522
Office Equipment	12,000	-	-	12,000	11,400	-	-	11,400	600	600
Furniture & Fittings	25,320	-	-	25,320	23,998	206	-	24,204	1,116	1,322
<b>Total</b>	<b>53,404,496</b>	<b>-</b>	<b>-</b>	<b>53,404,496</b>	<b>49,539,686</b>	<b>472,968</b>	<b>-</b>	<b>50,012,654</b>	<b>3,391,842</b>	<b>3,864,810</b>
Previous Year	53,404,496	-	-	53,404,496	46,526,531	1,732,419	-	48,258,958	5,145,538	6,877,965

(Rs)

3 Non-current Investments

Particulars	As at September 30, 2020	As at March 31, 2020
Investments in Equity Shares Unquoted		
In Subsidiaries	16,480,100	16,480,100
<b>Total</b>	<b>16,480,100</b>	<b>16,480,100</b>

4 Loans

Particulars	As at September 30, 2020	As at March 31, 2020
Other Loans and Advances	138,549,220	138,549,220
<b>Total</b>	<b>138,549,220</b>	<b>138,549,220</b>

5 Deferred Tax Asset

Particulars	As at September 30, 2020	As at March 31, 2020
Deferred Tax Asset	1,054,731	1,054,731
<b>Total</b>	<b>1,054,731</b>	<b>1,054,731</b>

6 Inventories

Particulars	As at September 30, 2020	As at March 31, 2020
Stock of Materials at Site	-	-
Projects in Progress	-	-
Project Land in Stock	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

7 Trade Receivables

Particulars	As at September 30, 2020	As at March 31, 2020
Outstanding for more than 6 months	-	-
Others	1,809,274	1,809,274
<b>Total</b>	<b>1,809,274</b>	<b>1,809,274</b>

8 Cash and cash equivalents

Particulars	As at September 30, 2020	As at March 31, 2020
Balances with Banks(of the nature of cash and cash equivalents)		
In Current Accounts	118,582	118,582
Current account balances with banks in unpaid dividend account		
Current account balances in Escrow account		
Cash Balance	25,734	25,734
<b>Total</b>	<b>144,316</b>	<b>144,316</b>

9 Loans

Particulars	As at September 30, 2020	As at March 31, 2020
Advances to Subsidiaries	-	-
Other	-	-
Advances to Suppliers	-	-
Advances to Staff	-	-
Other Advances Recoverable	-	-
Rental Deposit	2,370,914	2,370,914
Prepaid Expenses	-	-
Share Application Money	-	-
Security Deposits paid	567,167	567,167
Less: Provision for Bad Debts	(2,370,914)	(2,370,914)
<b>Total</b>	<b>567,167</b>	<b>567,167</b>

10 Other Assets

Particulars	As at September 30, 2020	As at March 31, 2020
Prepaid Taxes	6,124,888	6,109,138
Others		
<b>Total</b>	<b>6,124,888</b>	<b>6,109,138</b>

12 Provisions (Non Current)

Particulars	As at September 30, 2020	As at March 31, 2020
Provisions for employee benefits		
Gratuity	-	-
Leave Encashment	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

13 Deferred tax liabilities (Net)

Particulars	As at September 30, 2020	As at March 31, 2020
Deferred Tax Liability	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

14 Current Borrowings

Particulars	As at September 30, 2020	As at March 31, 2020



<b>Secured</b>		
Loan repayable on demand		
(i) From Banks	-	-
Loan from Others:		
Secured by way of charge on immovable properties and receivables*	-	-
	-	-
	-	-
* Loans Guranteed by Directors		
<b>UnSecured</b>		
From Others:		
Loans From Holding Company	-	-
Loans From Subsidiaries	-	-
	-	-
	-	-
<b>Total</b>	-	-

**15 Trade Payables (Current)**

Particulars	As at September 30, 2020	As at March 31, 2020
Micro, Small and Medium Enterprises Trade Payables	874,912	960,082
	<b>874,912</b>	<b>960,082</b>

**16 Other Financial Liabilities (Current)**

Particulars	As at September 30, 2020	As at March 31, 2020
Current maturities of long tem debt	-	-
Interest Accrued & Due on Borrowings	-	-
	-	-

**17 Other current liabilities**

Particulars	As at September 30, 2020	As at March 31, 2020
Advances from Customers	5,611,292	5,317,717
Expenses Payable	2,048,618	1,864,404
Others	-	-
Land Advance	-	-
Creditors for Capital Goods	-	-
Security deposit	-	-
Statutory Dues	955,589	944,958
	<b>8,615,499</b>	<b>8,127,079</b>

**18 Provisions (Current)**

Particulars	As at September 30, 2020	As at March 31, 2020
Bonus Payable	-	-
	-	-

**19 Revenue from Operations**

Particulars	As at September 30, 2020	As at March 31, 2020
Income from Projects	-	-
Income from Leasing	-	-
<b>Total</b>	-	-

## 20 Other Income

Particulars	As at September 30, 2020	As at March 31, 2020
Interest Income	-	-
Miscellaneous Income	-	-
<b>Total</b>	-	-

## 21 Cost of materials consumed

Particulars	As at September 30, 2020	As at March 31, 2020
Cost of materials consumed	-	-
<b>Total</b>	-	-

## 22 Employee benefits expenses

Particulars	As at September 30, 2020	As at March 31, 2020
Salaries and wages	300,000	150,000
Contribution to funds	-	-
Recruitment & Training Expenses	-	-
Staff Welfare expenses	-	-
Retirement Benefits	-	-
<b>Total</b>	<b>300,000</b>	<b>150,000</b>

## 23 Finance Costs

Particulars	As at September 30, 2020	As at March 31, 2020
Interest	-	-
Bank Charges	-	236
	-	<b>236</b>

## 24 Other Expense

Particulars	As at September 30, 2020	As at March 31, 2020
Rates & Taxes	-	-
Rent	-	154,950
Communication Cost	-	65,000
Electricity Charges	-	20,256
Travelling and Conveyance	-	-
IT Services	-	-
Repairs & Maintenance	-	13,952
Payment to Non-executive Directors	-	-
	-	-
	-	-
Secretarial Expenses	87,500	153,650
Advertisement & Business Promotion	-	-
Printing & Stationery	-	-
Postage and Courier Charges	-	-
Payment to Auditors	-	-

- Statutory audit fee	-	50,000
- Other Services	-	-
Insurance Premium	-	-
Legal & Professional Charges	-	-
Listing Fees	-	300,000
AGM Expenses	-	-
Security Expenses	-	22,000
Miscellaneous Expenses	-	-
General Expenses	-	-
Exchange Rate Fluctuation	-	-
Office Maintenance	-	-
Donation	-	-
Bad Debts	-	-
Vehicle Maintenance	-	-
	87,500	779,808

11.1 Authorised, Issued, Subscribed and Paid up Capital

Particulars	As At 30-9-2020		As At 31-3-2019	
	Nos	Rs	Nos	Rs
a. Authorised Capital Equity Shares of Rs 10/- each	15,000,000	150,000,000	15,000,000	150,000,000
b. Issued, Subscribed and Paid up Capital Equity Shares of Rs 10/- each	5,445,000	54,450,000	5,445,000	54,450,000

11.2 Reconciliation of number of Equity Shares Outstanding

Particulars	As At 30-9-2020		As At 31-3-2019	
	Nos	Nos	Nos	Nos
Shares Outstanding at the beginning of the year	5,445,000	5,445,000	5,445,000	5,445,000
Add: Shares Issued during the year	-	-	-	-
Shares Outstanding at the end of the year	5,445,000	5,445,000	5,445,000	5,445,000

11.3 Equity Shares holding by Group Companies

Particulars	As At 30-9-2020		As At 31-3-2019	
	Nos	Nos	Nos	Nos
By Holding Company (Class of Share: Equity)	-	-	-	-
Total	-	-	-	-

11.4 Shareholders holding more than 5%:

Name of the Shareholders	As At 30-9-2020		As At 31-3-2019	
	Nos	%	Nos	%
Mr G R K Reddy	2,233,640	41.02%	2,233,640	41.02%
Mrs V P Rajini Reddy	462,800	8.50%	462,800	8.50%
Mr Raghava Reddy	274,494	5.04%	274,494	5.04%
Total	2,233,640	100%	2,233,640	100%

Other Equity	As At 30-9-2020		As At 31-3-2019	
	General Reserve	Profit/Loss	Share Application Money	Securities Premium Reserve
Particulars				Total
Balance at the beginning of the period	545,000	76,856,799	-	105,041,594
Additions	-	(860,468)	-	(860,468)
Balance at the end of the reporting period	545,000	75,996,331	-	104,181,126

**Independent Auditor's Review Report on the unaudited quarterly and Year to date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To the Board of Directors**  
**Marg Projects and Infrastructure Limited**

We have reviewed the accompanying statement of unaudited Quarterly and Year to date financial results of **Marg Projects and Infrastructure Limited** for the quarter ended 30th September 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities Exchange Board of India (listing Obligation and Disclosure Requirements) Regulation 2015 ("Listing Regulation"), as amended.

This statement, is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standards 34, Interim Financial Reporting (IND AS 34) prescribed under section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

**Basis for Qualification / Other Matters**

1. The Company did not obtain / receive statements, balance confirmation for some of the current and other accounts maintained with various banks. The company's bank accounts were attached by Income Tax Investigation Wing. The company is in the process of lifting the bank attachment.
2. The Company didn't obtain/receive most of the customers/creditors, Loans and Advances and other parties for the balances as on 30<sup>th</sup> September, 2020. Hence, we could not obtain external confirmations as required in SA – 505, Standards on Auditing and are unable to comment on adjustments or disclosures, if any, that may arise.



# A.R. KRISHNAN & ASSOCIATES

CHARTERED ACCOUNTANTS

3. We draw your attention to Note no.6, the Company has not impaired in respect of advances given to some parties, amounting Rs.1385 Lakhs as required by Ind AS 109 "Financial Instrument".
4. Attention to Note no.5 to the financial results, regarding the Company's non-current investment (including deemed investment) (unquoted Equity Shares) aggregating 164.80 Lakhs for the quarter ended September 30, 2020. The Company has not carried out fair valuation of this investment as required by Ind AS 109 "Financial Instrument". In the absence of fair valuation of unquoted Equity Shares in Subsidiaries, we are unable to comment on the impact if any, on this investment for the quarter ended September 30, 2020.
5. Attention to Note no.4 to the financial results, the company has not recognized interest income for the quarter ended 30th September, 2020 on loans, which in our opinion, the company has not followed accrual system of accounting to this extent.

## Other Matters

On the basis of written representation received from the directors, one its director (G.Srinivasa Reddy, DIN: 01356350) is disqualified till date from being appointed as director in terms of Section 164(2) of the Act.

Attention is also drawn that the standalone Financial Statement of the Company for the year ended 31st March, 2020 have been audited by us vide report dated 29th June, 2020 and expressed a qualified opinion on those standalone financial statements.

For A.R.Krishnan & Associates  
Chartered Accountants  
FirmRegn.No.009805S



A handwritten signature in blue ink, appearing to read "A. Senthil Kumar".

(A.Senthil Kumar)

Partner

Membership No.: 214611

UDIN: 20214611AAAAGM9759

Place: Chennai

Date: 12-11-2020