

**MANAV INFRA PROJECTS  
PRIVATE LIMITED**

**F. Y. 2015-2016  
A. Y. 2016-2017**

**SSRV & ASSOCIATES**

*Chartered Accountants  
Unit no.215,  
Gundecha Industrial Estate  
Akurli Road, Kandivali East  
Mumbai-400101*

## **MANAV INFRA PROJECTS PRIVATE LIMITED**

### **BOARD'S REPORT**

To,  
The Members,  
Manav Infra Projects Private Limited

Your Directors have pleasure in presenting the Seventh Annual Report on the business and operations of the Company and the audited financial statements for the period ended March 31, 2016.

### **FINANCIAL SUMMARY**

The Company's financial performance on standalone basis is given hereunder.

<b>Particulars</b>	<b>Financial Year ended March 31, 2016</b>	<b>Financial Year ended March 31, 2015</b>
Sales & other income	164,434,933	162,254,794
Profit before tax	4,198,020	3,707,396
Less/Add Provision of Tax	+1,887,042	-3,663,306
Profit after tax	6,085,062	44,089

### **DIVIDEND**

In view of Profit, your Directors have not recommended any dividend to shareholders of the Company for the financial year 2015-16.

### **AMOUNTS TRANSFERRED TO RESERVES**

In view of Profit during the year, the Company do not propose to transfer any amount to the Reserves.

### **COMPANY PERFORMANCE**

Fiscal Year 2015-16 closed with a profit of Rs 6,085,062 as compared to the profit of Rs. 44,089 in the earlier financial year. The Directors of the Company are hopeful for better financial results in the coming financial years.

### **SHARE CAPITAL**

The Authorised Share Capital of the Company as on March 31, 2015 is Rs. 20,000,000/- divided into 20,00,000 (Ten Thousand Only) Equity Shares of Rs.10 (Rupees Ten only) each. During the Financial Year 2015-16, the Company has not issued fresh share capital.

The Paid up Equity Share Capital of the Company as on March 31, 2015 was Rs.2,00,00,000/-.

### **SUBSIDIARIES / ASSOCIATE COMPANIES**

The Company does not have any Subsidiary or Associate Company as defined in Companies Act, 2013 as on March 31, 2016 neither does any Company have become or ceased to be Company's Subsidiaries or Joint Venture Companies during the period under review.

## **MANAV INFRA PROJECTS PRIVATE LIMITED**

### **DEPOSITS**

The Company has not accepted fixed deposits from the public within the meaning of section 73 of the Act read with Companies (Acceptance of Deposits) Rules, 2014.

### **AUDITORS AND AUDITORS' REPORT**

M/s. SSRV & ASSOCIATES., Chartered Accountants, (FRN – 135901W) Statutory Auditors of the Company hold office till the conclusion of the Next Annual General Meeting of the Company and are eligible for reappointment to hold office from the conclusion of this Annual General Meeting of the Company until the conclusion of Next Annual General Meeting of the Company. They have confirmed their eligibility under Section 141 of the Act and the Rules framed thereunder to the effect that their re-appointment if made, would be within the prescribed limits under the Act and that they are not disqualified for reappointment as Auditors of the Company.

The Board of Directors of the Company therefore recommends M/s. SSRV & ASSOCIATES , Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting of the Company until the conclusion of Next Annual General Meeting of the Company.

The notes on Financial Statements referred to in Auditors Report are self-explanatory and do not call for any further comments and explanations.

### **EXTRACT OF ANNUAL RETURN**

The extract of the annual return in the prescribed Form MGT – 9 as stipulated under Section 92 (3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, is annexed herewith as **Annexure-A** to this Report.

### **PARTICULARS OF EMPLOYEES**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules shall be disclosed. During the year under review, the Company does not have any employee drawing remuneration more than the limits prescribed under the above provisions. The net worth of the Company as on March 31, 2016 is Rs. 48,156,378/-

### **MEETINGS OF THE BOARD OF DIRECTORS**

During the Financial Year 2015-16, 4 (Four) Board meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The dates on which these meetings were held are 25<sup>th</sup> June 2015, 30<sup>th</sup> SEP 2015, 28<sup>th</sup> December, 2015, 23<sup>rd</sup> March, 2016

Table of Attendance:

Sr. No.	Name of Directors	Designation	No. of Board Meetings held during FY 2015-16	
			Held	Attended
1	Mr. Mahendra Narayan Raju	Director	4	4
2	Mr. Rajamma Narayan Gadhraju	Director	4	4
3	Mrs. Mahalaxmi Mahendra Raju	Director	4	4

## MANAV INFRA PROJECTS PRIVATE LIMITED

### AGENDA

All the meetings are conducted as per well designed and structured agenda. All the agenda items are backed by necessary supporting information and documents to enable the Board to take informed decisions. Agenda also includes minutes of the meetings of all the Subsidiaries for the information of the Board. Additional agenda items in the form of "Other Business" are included with the permission of the Chairman. Agenda papers are generally circulated well in advance to the date of Board Meeting. In addition, for any business exigencies, the resolutions are passed by circulation and later placed in the ensuing Board Meeting for ratification / approval.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The provisions of Section 186 of the Companies Act, 2013, with respect to a loan, guarantee or security is not applicable to the Company as the Company is engaged in providing infrastructural facilities and is exempted under Section 186 of the Companies Act, 2013. The details of investment made during the year under review are disclosed in the financial statements.

### RELATED PARTY TRANSACTIONS

Generally all contracts / arrangements / transactions entered into by the Company during the Financial Year 2015-16 with the related parties were in ordinary course of business and on an arm's length basis. Details of these transactions not required to given in Form AOC-4

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information under section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is as follows:

#### **I. Conservation of Energy**

i. the steps taken or impact on conservation of energy	Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques.
ii. the steps taken by the company for utilizing alternate sources of energy	
iii. the capital investment on energy conservation equipment's	

#### **II. Technology Absorption**

i. the efforts made towards technology absorption	Not Applicable.
ii. the benefits derived like product improvement, cost reduction, product development or import substitution	Not Applicable.
iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) (a) the details of technology imported	Not Applicable.

**MANAV INFRA PROJECTS PRIVATE LIMITED**

<p>(b) the year of import;</p> <p>(c) whether the technology been fully absorbed</p> <p>(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof.</p> <p>iv. the expenditure incurred on Research and Development.</p>	<p>Not Applicable.</p>
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III. **Foreign Exchange Earning and outgo**

Foreign Exchange Actual Inflow – Nil

Foreign Exchange Actual Outflow – Nil

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134 of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- a. in the preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for the same period;
- c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls in the company that are adequate and were operating effectively.
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

**PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE**

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year under review, the Company has not received any complaint of harassment.

## **MANAV INFRA PROJECTS PRIVATE LIMITED**

### **ACKNOWLEDGEMENTS**

The Directors wish to place on record their appreciation for the sincere services rendered by employees of the Company at all levels. Your Directors also wish to place on record their appreciation for the valuable co-operation and support received from the Government of India, various state governments, the Banks/ financial institutions and other stakeholders such as, shareholders, customers and suppliers, among others. The Directors look forward to their continued support in future.

For and on behalf of the Board of Directors  
Manav Infra Projects Private Limited

SD/-  
**Mr. Mahendra Narayan Raju**  
Director  
DIN : 02533799

SD/-  
**Mrs Mahalaxmi Mahendra Raju**  
Director  
DIN : 02566021

Place: Mumbai  
Date: 20<sup>th</sup> August, 2016

### **ANNEXURE INDEX**

<b>Annexure</b>	<b>Form no.</b>	<b>Content</b>
A	Form MGT- 9	Extract of Annual Return

# Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31/03/2016.

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

## **I. REGISTRATION AND OTHER DETAILS:**

<b>i.</b>	CIN	U45200MH2009PTC193084
<b>ii.</b>	Registration Date	08/06/2009
<b>iii.</b>	Name of the Company	Manav Infra Projects Private Limited
<b>iv.</b>	Category / Sub-Category of the Company	Company limited by shares
<b>v.</b>	Address of the Registered office and contact details	B-314, 3 <sup>rd</sup> floor, Western Edge-II, Western Express Highway, Boiwali East, Mumbai-400066
	Whether listed company	No
<b>vi.</b>	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

## **II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

<b>Sr. No.</b>	<b>Name and Description of main products / services</b>	<b>NIC Code of the Product/ service</b>	<b>% to total turnover of the company</b>
<b>1</b>	<b>Construction</b>	<b>99531110</b>	<b>100%</b>







y)									
Sub-total (B)(2)									
Total Public Shareholding (B)=(B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)		<b>2000000</b>	<b>2000000</b>	<b>100</b>	<b>0</b>	<b>2000000</b>	<b>2000000</b>	<b>100</b>	<b>0</b>

**ii.Shareholding of Promoters**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares	No. of Shares	% of total Shares of the company	% of Shares	
1.	Mahendra Narayan Raju	1700000	85%	0	1700000	85%	0	0
2.	Rajamma Narayan Gadhraj	150000	7.5%	0	150000	7.5%	0	0
3.	Mahalaxmi Mahendra raju	150000	7.5%	0	150000	7.5%	0	0
	<b>Total</b>	<b>2000000</b>	<b>100</b>	<b>0</b>	<b>2000000</b>	<b>100</b>	<b>0</b>	<b>0</b>

**iii.Change in Promoters' Shareholding ( please specify, if there is no change**

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	<b>NO CHANGE</b>			
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year				

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
Indebtedness at the beginning of the financial year	<b>33,091,490</b>	–	–	<b>33,091,490</b>
<b>i)</b> Principal Amount				
<b>ii)</b> Interest due but not paid				
<b>iii)</b> Interest accrued but not				
Total (i+ii+iii)	-		-	
Change in Indebtedness during the financial year	-		-	-
- Addition				
- Reduction				
Net Change	-		-	
Indebtedness at the end of the financial year	<b>33,091,490</b>	–	-	<b>33,091,490</b>
<b>i)</b> Principal Amount				
<b>ii)</b> Interest due but not paid				
<b>iii)</b> Interest accrued but not due				
Total (i+ii+iii)	<b>33,091,490</b>		-	<b>33,091,490</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount	
		Mahendra Raju	Mahalaxmi Raju	Rajamma Raju		
1.	Gross salary  (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	24,00,000 P.a	36000 P.a	4,20,000 P.a	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	--	-
4.	Commission - as % of profit - others, specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
6.	Total (A)	2400000 P.a	36000 P.a	420000 P.a	-	-
	Ceiling as per the Act	-	-	-	-	-

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	<u>Independent Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
	<u>Other Non-Executive Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

**C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit				

	- others, specify...				
5.	Others, please specify				
6.	Total				

## **VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

<b>Type</b>	<b>Section of the companies Act</b>	<b>Brief description</b>	<b>Details of Penalty/ Punishment/ Compounding fees imposed</b>	<b>Authority[RD /NCLT/Court]</b>	<b>Appeal made. If any(give details)</b>
<b>A. Company</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. Directors</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. Other Officers In Default</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-



Head Office :- Office No.215, Gundecha Ind. Estate, Akurli Road, Kandivali (E), Mumbai - 400 101.  
Tel : +91 22-6060 1105 / +91 22-67337024. Email : ssrvandassociates@gmail.com

## **INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF MANAV INFRA PROJECTS PRIVATE LIMITED**

### **REPORT ON FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of **Manav Infra Projects Private Limited**, which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS**

The Company's Management 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies specified (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.





We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and

### **EMPHASIS OF MATTER:**

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of the sub section 11 of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial Statement comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the company (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 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 A".



(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. In our opinion and according to the information and explanations given to us, the Company does not have any pending litigations which have impact on its financial position in its financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. According to the information and explanations given to us, the company is not required to transfer any amount to investor education protection fund.

**For, SSRV & Associates**  
**Chartered Accountants**  
**Firm Reg No. 135901W**

*Vishnu K Kabra*

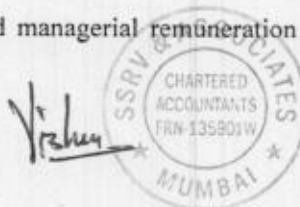
**Vishnu Kant Kabra**  
**Partner**  
**M. No.403437**  
**Mumbai**  
**Date: 20/08/2016**



## Annexure to the Auditors report

*[Referred to in paragraph 1 of our report of even date]*

- (i) (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the assets have been physically verified by the management during the year according to the programme of verification, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed in respect of the assets physically verified.
- (c) No immovable properties are held in the name of the company
- (ii) (a) The Company does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, the Company has not granted unsecured loan.
- (iv) According to the information and explanations given to us, the company has neither given any loans nor made any investment nor given any guarantees to persons covered under section 185 and 186. Thus, the provision of section 185 and 186 are not applicable to the company.
- (v) According to the information and explanations given to us, the company has not accepted deposits from public and hence directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and rules framed thereunder are not applicable for the year under audit.
- (vi) The Central Government of India has not prescribed the maintenance of cost records under subsection (1) of Section 148 of the Companies Act in respect of the activities carried on by the Company.
- (vii) (a) According to the information and explanations given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, cess, and other material statutory dues wherever applicable.
- (b) According to the records of the Company and the information and explanations given to us and upon our enquiries in this regard, there are no dues in respect of Income-tax, Service tax, and Cess which have not been deposited on account of any dispute.
- (viii) According to the information and explanation given to us, the company has not defaulted in repayment of loans or borrowing to a financial institution or bank.
- (ix) During the period covered by our audit report, the company have not raised money by way of public issue/ follow-on offer (including debt instruments)
- (x) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.
- (xi) In our opinion, the company has paid managerial remuneration during the period covered by our audit report.

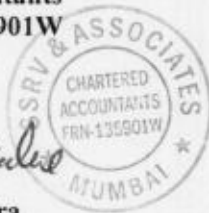


- (xii) In our opinion, the company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xiii) In our opinion, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and wherever required details are disclosed in the Financial Statements of the company.
- (xiv) According to the information and explanations given to us, the company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For, SSRV & Associates**  
**Chartered Accountants**  
**Firm Reg No. 135901W**

*Vishnu K Kabra*

**Vishnu Kant Kabra**  
**Partner**  
**M. No.403437**  
**Mumbai**  
**Date: 20/08/2016**





## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph (g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **Manav Infra Projects Private Limited** on the financial statements for the year ended March 31, 2016]

### **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 **Manav Infra Projects Private Limited** ("the Company") as of March 31, 2016 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**

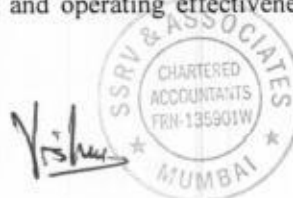
The Company's management is responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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.

#### **Auditors' 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 Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, 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 financial 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 judgement, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

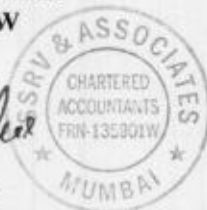
#### **Opinion**

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 March 31, 2016, based on the essential components of internal control stated in the Guidance Note issued by ICAI.

For SSRV & Associates  
Chartered Accountants  
F. Reg. No. 135901W

*Vishnu Kant Kabra*

Vishnu Kant Kabra  
Partner  
Mem. No.403437  
Mumbai  
Dated: 20/08/2016



**MANAV INFRA PROJECTS PRIVATE LIMITED**

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2016**

Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholder's Funds</b>			
Share capital	3	20,000,000	20,000,000
Reserves and surplus	4	28,156,378	22,456,667
		48,156,378	42,456,667
<b>Non-Current Liabilities</b>			
Long-term Borrowings	5	17,685,289	10,259,790
Deferred tax liability (net)	6	(4,688,551)	206,161
<b>Current Liabilities</b>			
Short-term borrowings	7	15,406,201	15,503,311
Trade payables	8	28,797,629	20,428,023
Other current liabilities	9	25,279,201	16,111,146
Short-term provisions	10	3,007,670	6,060,882
		72,490,701	58,103,363
<b>Total</b>		<b>133,643,817</b>	<b>111,025,981</b>
<b><u>ASSETS</u></b>			
<b>Non-current Assets</b>			
Fixed assets	11	13,692,206	18,688,614
Long-term loans and advances	12	9,344,410	7,977,469
		23,036,616	26,666,083
<b>Current Assets</b>			
Trade receivables	13	52,592,967	29,228,362
Cash and bank balances	14	42,544,043	38,088,673
Short-term loans and advances	12	3,240,190	4,777,963
Other current assets	15	12,230,000	12,264,900
		110,607,200	84,359,898
<b>Total</b>		<b>133,643,817</b>	<b>111,025,981</b>
significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements

As per our separate report of even date  
For SSRV and Associates  
Chartered Accountants  
ICAI Firm Registration No. 135901W

For Manav Infra Projects Private Limited



*Vishnu Kabra*  
Vishnukant Kabra  
Partner  
Membership No. 403437  
Place: Mumbai  
Date:- 20-08-2016

*g. m. t.*

Director

*Maha*

Director



## MANAV INFRA PROJECTS PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016

Particulars	Note No.	2015-2016	2014-2015
<b>Income</b>			
Revenue from operations		164,413,866	148,376,471
Other income	16	21,067	13,878,323
<b>Total Revenue</b>		<b>164,434,933</b>	<b>162,254,794</b>
<b>Expenses</b>			
Cost of material consumed		11,059,063	70,126,092
Employee benefits expenses	17	8,824,114	7,861,280
Finance costs	18	8,891,200	6,534,424
Depreciation and amortisation expense	11	5,966,669	8,188,214
Administration and other expense	19	125,495,868	65,837,389
<b>Total Expenses</b>		<b>160,236,913</b>	<b>158,547,398</b>
Profit /(Loss) before tax		4,198,020	3,707,396
Tax Expenses			
Current tax		3,007,670	3,872,992
Deferred tax	6	(4,894,712)	(209,686)
Total tax expense		(1,887,042)	3,663,306
Profit / (Loss) for the year		6,085,062	44,089
Earning per equity share			
Basic	20	3.04	0.02
Summary of significant accounting policies	2.1		

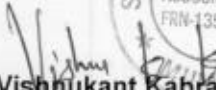
The accompanying notes are an integral part of the financial statements

As per our report of even date

For SSRV and Associates

Chartered Accountants

ICAI Firm Registration No. 135901W

  
Vishnukant Kabra

Partner

Membership No. 403437

Place: Mumbai

Date: 20-08-2016

For Manav Infra Projects Private Limited

  
Director

  
Director





MANAV INFRA PROJECTS PRIVATE LIMITED

Notes to the financial statements for the year ended 31st March ,2016

3. Share capital	2015-2016	2014-2015
Authorised capital 20,00,000 (31st March, 2013 :20,00,000) Equity Shares of Rs. 10/- each	20,000,000	20,000,000
	20,000,000	20,000,000
Issued, subscribed and fully paid up capital 20,00,000 (31st March, 2013 :20,00,000) Equity Shares of Rs. 10/- each	20,000,000	20,000,000
	20,000,000	20,000,000

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting year	31-Mar-16		31-Mar-15	
	(No. of Shares)		(No. of Shares)	
At the beginning of the year	2,000,000	20,000,000	2,000,000	20,000,000
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	2,000,000	20,000,000	2,000,000	20,000,000

b) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	(No. of Shares)	% holding in the class	(No. of Shares)	% holding in the class
Mahendra Raju	1,700,000	85.0%	1,700,000	85.0%
Mahalakshmi Raju	150,000	7.5%	150,000	7.5%
Rajamma raju	150,000	7.5%	150,000	7.5%

c) Terms/ rights attached to equity shares

The company has only one class of equity shares having 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.

4. Reserves & Surplus	2015-2016	2014-2015
Deficit in the statement of profit and loss		
Opening balance	22,071,316	22,441,259
Add:- Profit for the year	6,085,062	44,089
Less:-Fixed Assets Adjustments	-	28,681
	28,156,378	22,456,667

5. Long-term borrowings	2015-2016	2014-2015
<b>Secured loan</b>		
HDFC Bank-Piling- 2	-	985,366
IndusInd Bank-Taurus 8124	-	299,759
IndusInd Bank-Taurus 8128	-	297,864
Srei- Piling 180	9,485,132	8,272,562
Sriram Transport Breaker 300	360,704	404,239
Srei - Piling Rig 125	4,880,888	
Shriram Transport - Cp Breaker 24	829,630	
Shriram Transport - Cp Breaker-26	952,054	
Shriram Transport - Machine No-3	663,149	
Shriram Transport - Machine No-5	513,732	
<b>(Against hypothecation of Plant &amp; Machinery Purchased under the relevant loans )</b>		
<b>Total</b>	<b>17,685,289</b>	<b>10,259,790</b>

6. Deferred tax liability	2015-2016	2014-2015
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	206,161	206,161
<b>Gross deferred tax liability</b>	<b>206,161</b>	<b>206,161</b>
<b>Deferred tax asset</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	81,637	
Disallowable U/s 43B, 40(A)(7), 40(a) (Unpaid till the date of signing of the report)	4,813,075	
<b>Gross deferred tax asset</b>	<b>4,894,712</b>	
<b>Deferred tax liability</b>	<b>(4,688,551)</b>	<b>206,161</b>



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**MANAV INFRA PROJECTS PRIVATE LIMITED**

**Notes to the financial statements for the year ended 31st March ,2016**

<b>7. Short-term borrowings</b>	<b>2015-2016</b>	<b>2014-2015</b>
Syndicate bank Overdrafts ( Against hypothecation of Book Debts & Personal Guarantee of Directors )	15,406,201	15,503,311
	<b>15,406,201</b>	<b>15,503,311</b>

<b>8. Trade payables</b>	<b>2015-2016</b>	<b>2014-2015</b>
Sundry Creditors	28,797,629	20,428,023
	<b>28,797,629</b>	<b>20,428,023</b>

<b>9. Other Current Liabilities</b>	<b>2015-2016</b>	<b>2014-2015</b>
Statutory dues	24,408,192	14,936,571
Salaries payables	826,009	658,850
Outstanding expenses	45,000	45,000
Advance Received	-	470,725
	<b>25,279,201</b>	<b>16,111,146</b>

<b>10. Short-term provisions</b>	<b>2015-2016</b>	<b>2014-2015</b>
Provision for tax	3,007,670	6,060,882
	<b>3,007,670</b>	<b>6,060,882</b>

**11. NON-CURRENT ASSETS  
(TANGIBLE & INTANGIBLE ASSETS)**  
(Enclosed separately)

<b>12. Loans and Advance</b>	<b>Non-Current</b>		<b>Current</b>	
	<b>2015-2016</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>2014-2015</b>
<b>Unsecured Considered good</b>				
Retention & Deposit	9,344,410	7,977,469	-	136,213.00
Advances to related parties	-	-	-	-
<b>Other loans and advances</b>				
Balances with government authorities	-	-	3,240,190	4,641,750
	-	-	3,240,190	4,641,750
	<b>9,344,410</b>	<b>7,977,469</b>	<b>3,240,190</b>	<b>4,777,963</b>

<b>13. Trade Receivable</b>	<b>2015-2016</b>	<b>2014-2015</b>
Unsecured, considered good	42,333,614	-
Outstanding for a period exceeding six months from the due date of payment	10,259,353	29,228,362
Other debts.	-	-
Doubtful	-	-
	<b>52,592,967</b>	<b>29,228,362</b>

<b>14. Cash and cash equivalents</b>	<b>2015-2016</b>	<b>2014-2015</b>
Cash on hand	6,741	184,094
Cash at sites	41,151,540	37,231,917
Balance with Banks	1,385,762	672,662
	<b>42,544,043</b>	<b>38,088,673</b>

<b>15. Other current assets</b>	<b>2015-2016</b>	<b>2014-2015</b>
Unbilled revenue	12,230,000	12,230,000
Preliminary expenses (to the extent not w/off )	-	34,900
	<b>12,230,000</b>	<b>12,264,900</b>



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**MANAV INFRA PROJECTS PRIVATE LIMITED**  
Notes to the financial statements for the year ended 31st March , 2016

**11. FIXED ASSETS AS ON 31ST MARCH, 2016**

S.No.	Particulars	Gross Block-----				Depreciation-----			Net Block-----		
		As on 1.4.2015	Addition During the year	Deletion During the year	Total as on 31.3.2016	Upto 1.4.2015	For the Year	Adjustment for sale & W/o	Total as on 31.3.2016	As on 31.3.2016	As on 31.3.2015
1	Plant and Machinery	80,343,987	1,463,000	3,435,574	78,371,413	61,812,465	5,891,548	2,942,834	64,761,179	13,610,234	18,531,522
2	Motors Vehicles	443,124			443,124	344,954	51,518		396,472	46,652	98,170
3	Furniture and Fixture	25,000			25,000	17,776	2,563		20,339	4,661	7,224
4	Electrical Instalation & Equipment	40,820			40,820	26,114	4,478		30,592	10,228	14,706
5	Computer and Data Processing Units	103,878			103,878	66,885	16,560		83,445	20,433	36,993
Figures for the Current year		80,956,809	1,463,000	3,435,574	78,984,235	62,268,194	5,966,669	2,942,834	65,292,029	13,692,206	18,688,615
Figures for the previous year		80,029,397			80,956,809	55,243,609	8,188,214		62,268,195	18,688,614	24,785,788



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# MANAV INFRA PROJECTS PRIVATE LIMITED

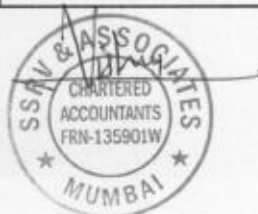
## Notes to the financial statements for the year ended 31st March ,2016

	2015-2016	2014-2015
<b>16 Other income</b>	<b>2015-2016</b>	<b>2014-2015</b>
Credit balance written off	21,067	29,999
Profit on sale of fixed assets	-	13,845,167
Discount Received	-	549
Miscellaneous Income	-	2,608
	<b>21,067</b>	<b>13,878,323</b>

	2015-2016	2014-2015
<b>17 Employee benefits expenses</b>	<b>2015-2016</b>	<b>2014-2015</b>
Salaries and wages	7,998,126	7,339,420
Bonus and allowances	415,456	177,060
Staff welfare expenses	92,699	160,440
Contribution to provident fund and others	317,833	184,360
	<b>8,824,114</b>	<b>7,861,280</b>

	2015-2016	2014-2015
<b>18 Finance Costs</b>	<b>2015-2016</b>	<b>2014-2015</b>
Bank charges	194,024	138,378
Interest charges	8,554,001	6,242,876
Processing charges	143,174	153,170
	<b>8,891,200</b>	<b>6,534,424</b>

	2015-2016	2014-2015
<b>19 Administration and other expense</b>	<b>2015-2016</b>	<b>2014-2015</b>
Bad debts written off	261,894	428,029
Business promotion	122,408	57,888
Battery expenses	128,574	93,566
Contract / Machine hiring Charges	24,876,246	9,155,488
Conveyance	92,302	122,143
Electricity and Water charges	155,178	112,265
Insurance charges	134,643	478,366
Labour charges	6,759,983	1,699,023
Legal and professional expenses	224,000	907,400
Office expenses	616,765	757,449
Oil, Diesel & petrol expenses	37,307,536	28,756,172
Postage and telephone expenses	329,298	317,172
Preliminary expenses written off	34,900	43,700
Printing and stationary	81,832	78,429
Rates and taxes	25,500	72,029
Rent	1,246,400	1,230,000
Repairs and maintenance -	2,639,325	4,118,603
Royalty	9,186,078	2,040,039
Site expenses	3,745,642	2,453,360
Society Maintenance	593,744	97,321
Spare parts and consumable	2,301,937	2,613,879
Survey Charges	253,275	445,625
Toll charges	79,018	390,300
Transportation charges	33,554,544	7,529,049
Travelling expenses	-	323,900
Tyre expenses	75,320	979,250
Vehicle expenses	-	336,944
Penalty/ Interest on TDS	176,788	
Loss on sale of Asset	292,738	
Auditors Remuneration	200,000	200,000
	<b>125,495,868</b>	<b>65,837,389</b>



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## 20. Earnings per share (EPS)

The following reflects the profit and share data used in the basic earning per share computations:

	31-Mar-16	31-Mar-15
Profit/ (loss) after tax	6,085,062	44,089
Weighted average number of equity shares in calculating basic EPS	2,000,000	2,000,000
Earning per equity share	3.04	0.02

## 21. Lease

Operating lease: company as lessee

The lease period was expired in the month of May 2014. The company has entered into fresh operating lease for office premises for a period of five years from June 2014. There are no restrictions imposed on the company by lease arrangement. There are escalation clauses in the agreement. The old lease is not generally renewable by mutual consent. There are no further sub leases. Lease rent has been included under Rent in the statement of profit and loss.

## 22. Micro, Small and Medium Enterprises Development Act

The Company has not received any information from creditors regarding the status under the Micro, Small and Medium Enterprises Development Act and hence disclosure if any relating to amounts unpaid as at the year end together with interest payable as required under the said Act has not been given.

## 23. Payment to Auditors :

	2015-16	2014-2015
Audit fees	100,000	100,000
Tax audit	50,000	50,000
Taxation and others	50,000	50,000
	200,000	200,000

## 24. Related party disclosures

### (A) Parties where control exists

Key Management Personnel:-

1. Mr. Mahendra Raju - Director
2. Mrs. Mahalakshmi Raju - Director
3. Mrs. Rajamma Raju - Director

### (B) Relatives of Key Management Personnel

1. Mr. V N Raju- Brother in law
2. Ms Bharathi Raju- Sister
3. Ms. Vijaya Raju- Sister
4. Mr. Narayan Raju- Father
5. Gimesh M Raju- Minor Child
6. Sushant Raju- Minor Child



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**(C) Entities Controlled by Key Management Personnel (Other Related Parties)**

1. Hitech Earthmover	Prop. Rajamma Raju
2. Mahalakshmi Enterprise	Prop. Mahalakshmi Raju
3. Saibaba Construction	Prop. Mahendra Raju
4. Winner Transport	Prop. V.N. Raju
5. Sholingar Rock	Prop. Vijaya Raju
6. Bharthi Transport	Prop. Bharathi Raju

**(D) Related parties with whom transactions have taken place during the year**

	2015-16	2014-2015
<b>Transaction with Mahendra Raju</b>		
Director Remuneration	2,400,000	2,400,000
Loans Given	-	-
Hirings & Contract Charges-(Saibaba Construction)	-	-
Loans Given-(Saibaba Construction)	-	-
	<b>2,400,000</b>	<b>2,400,000</b>

	2015-16	2014-2015
<b>Transaction with Mahalakshmi Raju</b>		
Director Remuneration	360,000	360,000
Hirings & Contract Charges-Mahalakshmi Enterprises	571,717	-
	<b>931,717</b>	<b>360,000</b>

	2015-16	2014-2015
<b>Transaction with Rajamma Raju</b>		
Director Remuneration	420,000	420,000
Hirings & Contract Charges- Hitech Earthmover	-	-
	<b>420,000</b>	<b>420,000</b>

	2015-16	2014-2015
<b>Transaction with V N Raju</b>		
Hirings & Contract Charges	1,709,000	523,454
Sale of Machinery	-	-
Hirings & Contract Charges -(sholingar Rock)	-	505,394
	<b>1,709,000</b>	<b>1,028,848</b>

<b>Transaction with Vijaya Raju</b>		
Hirings & Contract Charges -(Winner Transport)	-	1,249,700
	<b>-</b>	<b>1,249,700</b>

<b>Transaction with Bharathi Raju</b>		
Hirings & Contract Charges -(Bharthi Transport)	-	15,500
	<b>-</b>	<b>15,500</b>

**25.Small and Medium size company**

The company is small and medium-sized company (SMC) as defined in the general instruction in respect of Accounting standard notified under Companies Act,2013. Accordingly company has complied with the Accounting standards applicable to SMC.

**26.Confirmation Letters & Cash Balances**

Sundry Debtors, Loans and Advances, Sundry Creditors, Advances and Deposits are subject to confirmation, reconciliation and consequent adjustment, if any.We have conducted and completed the audit relying more on the representation and confirmation letter given by the management of the company. Cash balances are not verified as major part is lying in the sites hence it was not possible to verify the same.



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**27. Previous year figures**

The figures of previous year were audited by our firm of Chartered accountants. Previous year figures have been regrouped / reclassified, where necessary, to confirm to this year's classification.

As per our separate report of even date  
For SSRV and Associates  
Chartered Accountants  
ICAI Firm Registration No. 135901W

For Manav Infra Projects Private Limited



*Vishnu K. Kabra*  
Vishnukant Kabra  
Partner

Membership No. 135901  
Place: Mumbai  
Date: 20-08-2016

*dy.m.f.*

Director

*Maho*

Director



## MANAV INFRA PROJECTS PRIVATE LIMITED

### Notes to the financial statements for the year ended 31st March ,2016

#### 1. Corporate information

Manav Infra Projects Private Limited (the company) is a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013. Corporate Identity Number : U45200MH2009PTC193084 The company is engaged in infrastructure Development, Infrastructure projects, works Contracts, Site preparation and Clearance services to Real estate sector .

#### 2. Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India. The financial statements of the company have been prepared to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2014, and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous period.

#### 2.1 Summary of significant accounting policies

##### (a) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities at the date of the financial statement and the results of operation during the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from this estimates.

##### (b) Tangible fixed assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

##### (c) Depreciation

Depreciation on fixed assets is provided on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013, whichever is higher. However Management has not estimated the useful lives of assets and rate is used as per Company Act.

##### (d) Intangible assets

The Company does not have any intangible assets for the period under review.

##### (e) Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

##### (f) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.



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## MANAV INFRA PROJECTS PRIVATE LIMITED

### **(g) Impairment of tangible and intangible assets**

The carrying amount of assets are reviewed at each balance sheet date, if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. After impairment, depreciation is provided on revised carrying amount of the asset over its remaining useful life.

### **(h) Revenue Recognition:**

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. Revenue from the Site services are recognised pro-rata over the period of the contract as and when services are rendered. It is difficult to identify the completion of the work due to the complexity of the services rendered. Hence the management's confirmation is accepted in identifying the above.

### **(i) Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

### **(j) Foreign Exchange Transactions:**

Foreign currency transactions and balances

#### **(i) Initial**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### **(ii) Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

#### **(iii) Exchange**

Exchange difference arising on settlement of monetary items or on reporting monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements are recognised as income or expenses the year in which they arise except those arising from investments in non-integral operations.

### **(k) Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

### **(l) Taxes on Income:**

Current tax is determined as the amount of tax payable in respect of taxable income for the period as per the provision of the Income Tax Act, 1961.



*Handwritten signature: G. M. R. T.*

*Handwritten signature: Mahesh*



## MANAV INFRA PROJECTS PRIVATE LIMITED

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in or more subsequent periods. Deferred Tax assets are recognised and carried forward only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such asset items can be realised. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

### (m) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

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

As per our separate report of even date  
For SSRV and Associates  
Chartered Accountants  
ICAI Firm Registration No. 135901W



*Vishnu K Kabra*  
Vishnukant Kabra  
Partner  
Membership No. 403437  
Place: Mumbai  
Date: 20-08-2016

For Manav Infra Projects Private Limited

*M. Mahesh*

Director



*M. Mahesh*  
Director

