



Pushpavalli & Associates
Chartered Accountant

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

Mukta Academic Institutions Private Limited

Report on the Financial Statements

I have audited the accompanying financial statements of Mukta Academic Institutions Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement, and a summary of the significant accounting policies and other explanatory information for the year then ended 31st March, 2016.

Management's Responsibility 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 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the preparation 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 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.

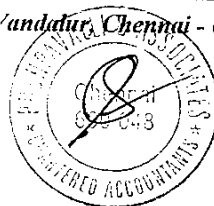
Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I 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.

I conducted my audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that I comply with 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 internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on

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whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion on the financial statements.

Basis of Qualified Opinion

The company has not provided for impairment loss of ₹ 7,70,44,720 (PY ₹ 7,70,44,720) on land held as on 31st March, 2016, which is not in accordance with Accounting Standard (AS 28) "Impairment of assets". Consequently the assets are overstated by ₹ 7,70,44,720 (PY ₹ 7,70,44,720) and loss for the year and the accumulated losses are understated by ₹ 7,70,44,720 (PY ₹ 7,70,44,720) as on 31st March, 2016. This matter was also qualified in our report for the year ended 31st March, 2015.

Opinion:

In my opinion and to the best of my information and according to the explanations given to me, *except for the effects of the matter described in the Basis of Qualified Opinion paragraph*, 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:

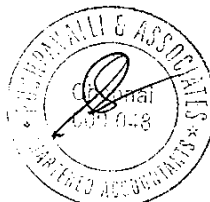
- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2016;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended 31st March 2016 and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended 31st March 2016.

Emphasis of Matter

Without qualifying my opinion, attention is invited to Note 15(a) regarding property of the Company of ₹ 7,74,93,473/- provided as security for loans taken by Holding Company and Note 15(b) regarding preparation of financial statements on a going concern basis. The accompanying financial statements have been prepared on a going concern basis after giving due considerations to matters more fully explained in aforesaid note.

Report on Other Legal and Regulatory Requirements

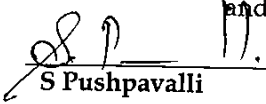
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, I give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, I report that:
 - a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.





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- b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In my opinion, *except for the effects of the matter described in the Basis of Qualified Opinion paragraph*, 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, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate report in "Annexure - B"; and
- 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 my opinion and to the best of my information and according to the explanations given to me:
- The Company does not have any pending litigations which would impact its financial position.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

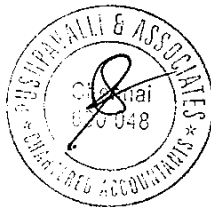

S Pushpavalli

Chartered Accountant

Membership no: 232743

Place: Chennai

Date: 30th May, 2016





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Chartered Accountant

ANNEXURE - A TO THE AUDITORS REPORT REFERRED TO IN MY REPORT OF EVEN DATE TO THE MEMBERS OF MUKTA ACADEMIC INSTITUTIONS PRIVATE LIMITED

1. (a) Based on my scrutiny of the books of accounts and other records and according to the information and explanations received by me from the management, I am of the opinion that the question of commenting on maintenance of proper records of fixed assets, physical verification of fixed assets does not arise, since the Company had no fixed assets excepting Land and Capital Work in progress during the year.

(b) On the basis of examination of records of the company, the title deeds of other immovable properties are held in the name of the company.
2. The Company had no inventory at any point of time and as such physical verification of inventory by the Management does not arise.
3. The Company has not given any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
4. According to the information and explanations given to me, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans, guarantees and investments made.
5. The Company has not accepted any deposits from public.
6. The Central Government has not prescribed the maintenance of Cost Records under section 148 (1) of the Companies Act, 2013.
7. (a) The Company is irregular in depositing undisputed dues of income tax with the appropriate authorities. Other statutory dues including Sales tax, Customs duty are not applicable to the company. There were no undisputed dues as at 31st March 2016, payable for a period of more than six months from the date they become payable.

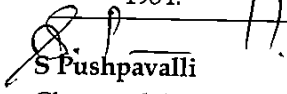
(b) There are no disputed amounts of statutory dues which have not been deposited with the concerned authorities.
8. The Company has not taken loans from financial institutions/banks or issued debentures till 31st March, 2016. Hence, the question of reporting on defaults in repayment of dues to financial institutions/banks or debentures does not arise.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.





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10. According to the information and explanation given to me, no fraud on or by the Company has been noticed or reported during the financial year.
11. The Company has not paid or provided Managerial remuneration. Hence clause 3 (xi) of the Order is not applicable to the company.
12. In my opinion and according to the information and explanations given to me, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to me and based on my examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details have been disclosed in the financial statements as required by the applicable accounting standard.
14. According to the information and explanations given to me and based on my examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to me and based on my examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.


S Pushpavalli
Chartered Accountant
Membership no: 232743



Place: Chennai
Date: 30th May, 2016



Pushpavalli & Associates

Chartered Accountant

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MUKTA ACADEMIC INSTITUTIONS PRIVATE LIMITED

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

I have audited the internal financial controls over financial reporting of Mukta Academic Institutions Private Limited ("the Company") as of March 31, 2016 in conjunction with my audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

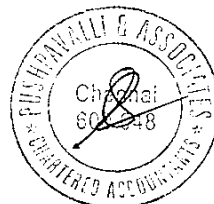
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act, 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 I 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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.

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





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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:

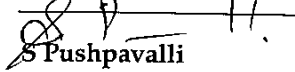
- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance 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

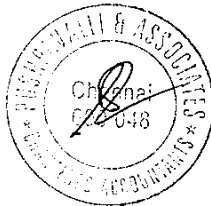
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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 my opinion, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.


S Pushpavalli
Chartered Accountant
Membership no: 232743

Place: Chennai
Date: 30th May, 2016



MUKTA ACADEMIC INSTITUTIONS PRIVATE LIMITED

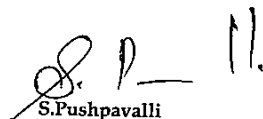
BALANCE SHEET

Particulars	Note	As At 31-Mar-2016 ₹	As At 31-Mar-2015 ₹
EQUITY AND LIABILITIES			
SHAREHOLDERS FUNDS			
Share Capital	2	100,000	100,000
Reserves & Surplus	3	(60,187,627)	(39,788,434)
CURRENT LIABILITIES			
Short-Term Borrowings	4	112,915,718	112,905,318
Trade Payables	5	2,277,593	2,257,593
Other Current Liabilities	6	61,473,779	41,575,252
Short-Term Provisions	7	269,720	269,720
		<u>116,849,183</u>	<u>117,319,449</u>
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets:			
Tangible Assets	8	75,132,619	75,132,619
Capital Work In Progress		24,990,087	24,990,087
CURRENT ASSETS			
Trade Receivables			
Cash & Cash Equivalents	9	16,376,000	16,376,000
Short-Term Loans & Advances	10	12,001	17,201
	11	338,476	803,542
		<u>116,849,183</u>	<u>117,319,449</u>

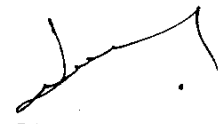
SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As per my Report of even date attached

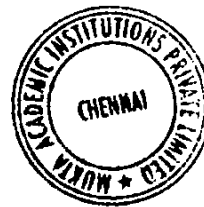
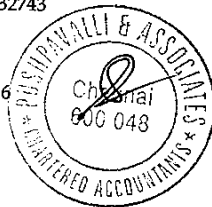
For and on behalf of Board of Directors


S. Pushpavalli
Chartered Accountant
Membership No : 232743


H GANESH
Director


B JAYARAJ
Director

Place : Chennai
Date : 30-May-2016



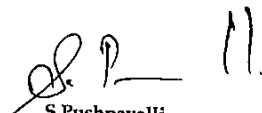
MUKTA ACADEMIC INSTITUTIONS PRIVATE LIMITED

STATEMENT OF PROFIT & LOSS

Particulars	Note	Year Ended	Year Ended
		31-Mar-2016	31-Mar-2015
		₹	₹
INCOME			
Other Income		-	-
EXPENSES			
Finance Cost	12	20,376,593	18,169,693
Other Expenses	13	22,600	25,124
		<u>20,399,193</u>	<u>18,194,817</u>
PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX		(20,399,193)	(18,194,817)
Exceptional Items		-	-
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX		(20,399,193)	(18,194,817)
Extraordinary Items		-	-
PROFIT (LOSS) BEFORE TAX		(20,399,193)	(18,194,817)
TAX EXPENSE			
Current Tax		-	-
Taxes - Prior Period		-	1,131
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (A)		<u>(20,399,193)</u>	<u>(18,195,948)</u>
Profit (Loss) from Discontinuing Operations		-	-
Tax expense of Discontinuing Operations		-	-
PROFIT (LOSS) FOR THE PERIOD FROM DISCONTINUING OPERATIONS (B)		-	-
PROFIT (LOSS) FOR THE PERIOD (A+B)		<u>(20,399,193)</u>	<u>(18,195,948)</u>
EARNINGS PER SHARE			
Basic (Face Value ₹ 10/-)		(2,039.92)	(1,819.59)
Diluted (Face Value ₹ 10/-)		(2,039.92)	(1,819.59)
SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS			

As per my Report of even date attached

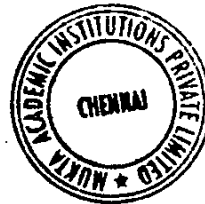
For and on behalf of Board of Directors


S. Pushpavalli
Chartered Accountant
Membership No : 232743


H GANESH
Director


B JAYARAJ
Director

Place : Chennai
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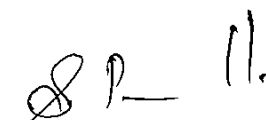
MUKTA ACADEMIC INSTITUTIONS PRIVATE LIMITED

CASH FLOW STATEMENT

S No	Particulars	Year Ended 31-Mar-2016 ₹	Year Ended 31-Mar-2015 ₹
A CASH FLOWS FROM OPERATING ACTIVITIES:			
	Net Profit (Loss) before Taxation and Extraordinary Items	(20,399,193)	(18,194,817)
	Adjustment for:		
	Loss (Profit) on Sale of Fixed Assets	-	-
	Finance Cost (Net)	20,376,593	18,169,693
	Operating Profit before Working Capital Changes	(22,600)	(25,124)
	(Increase) Decrease in Loans & Advances	465,066	(465,066)
	Increase (Decrease) in Trade Payable	20,000	2,200,733
	Increase (Decrease) in Current Liabilities	(478,066)	22,017
	Increase (Decrease) in Short Term Provision	-	(498,869)
	Cash Generated from Operations	(15,600)	1,233,691
	Income Tax Paid	-	(1,131)
	Cash Flow before Extraordinary Items	(15,600)	1,232,560
	Adjustment for Extraordinary Items (Preliminary Expenses)	-	-
	NET CASH FROM OPERATING ACTIVITIES (A)	(15,600)	1,232,560
B CASH FLOWS FROM INVESTING ACTIVITIES:			
	Purchase of Fixed Assets	-	-
	Advance Received / (Refund) for Sale of Fixed Assets	-	-
	Proceeds from Sale of Fixed Assets	-	-
	NET CASH FROM INVESTING ACTIVITIES (B)	-	-
C CASH FLOWS FROM FINANCING ACTIVITIES:			
	Proceeds from Short Term Borrowings	10,400	(1,237,258)
	Finance Cost Paid (Net)	-	(604)
	NET CASH USED IN FINANCING ACTIVITIES (C)	10,400	(1,237,862)
	Net Increase in Cash and Cash Equivalents (A+B+C)	(5,200)	(5,302)
	Cash and Cash Equivalents at beginning of Period	17,201	22,503
	Cash and Cash Equivalents at end of Period	12,001	17,201

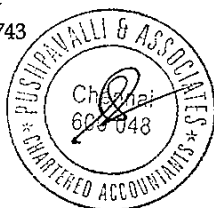
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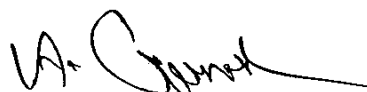
For and on behalf of Board of Directors

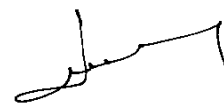

S. Pushpavalli

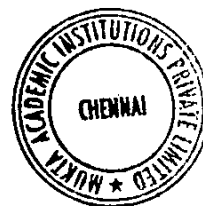
Chartered Accountant
Membership No : 232743

Place : Chennai
Date : 30-May-2016




H GANESH
Director


B JAYARAJ
Director



MUKTA ACADEMIC INSTITUTIONS PRIVATE LIMITED

Notes To The Financial Statements

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- The Financial Statements are prepared under historical cost convention on accrual basis and going concern concept and materially comply with Accounting Standards (AS) as specified by Section 133 of Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules 2014.
- Use of Estimates: The preparation of financial statements requires the Management of the Company to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statement & reported income & expenses during the reporting period. Examples of such estimates include provisions for doubtful debts, employee retirement benefit plans, provisions for income taxes, useful life of fixed assets, accounting for work executed etc.
- Method of Accounting - The Company maintains its accounts on accrual basis.
- The Accounting Standards recommended by The Institute of Chartered Accountants of India have been followed wherever applicable to the Company.

1.2 REVENUE RECOGNITION

All Income and Expenses have been recognized on accrual system of accounting.

1.3 FIXED ASSETS & DEPRECIATION

- The Fixed Assets are stated at cost of acquisition including interest paid on specific borrowings up to the date of acquisition / installation of the assets and improvement thereon less depreciation.
- Depreciation is provided on fixed assets, on straight-line method, on pro-rata basis on the basis of the useful lives prescribed under schedule II to the Companies Act, 2013, subject to the adjustments arising out of transitional provisions of schedule II to the Companies act, 2013.
- The Company assesses at each balance sheet date whether there is any indication that a non-land asset may be impaired. If any such indication exists the Company estimates the recoverable amount of the assets. If such recoverable amount of the asset or recoverable amount of the cash generating divisions which the assets belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and recognized in the profit and loss account.

1.4 PRELIMINARY EXPENSES

Preliminary expenses are fully charged off in the year in which they are incurred.

1.5 OPERATING LEASES

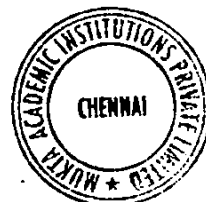
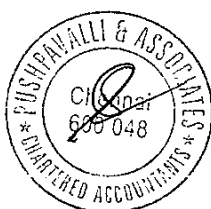
Assets subject to operating leases are included under fixed assets or current assets as appropriate. Lease income is recognized in the profit and loss account on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the profit and loss account.

1.6 VALUATION OF CLOSING STOCK

- Raw Material: Raw Material, Stores and Spares are valued at weighted average cost. Cost comprises all costs of purchase.
- Work-in-progress: Work-in-progress is valued at cost or the contract rates whichever is lower.
- Completed projects: Completed Projects are valued at cost or net realizable value, whichever is less.

1.7 INVESTMENTS

Investments are classified as long-term and current investments. Long-term investments are shown at cost or written down value (in case of other than temporary diminution) and current Investments are shown at cost or market value whichever is lower.



MUKTA ACADEMIC INSTITUTIONS PRIVATE LIMITED

Notes To The Financial Statements

1.8 FOREIGN CURRENCY TRANSACTIONS:

Foreign currency transactions are accounted on the exchange rate prevailing at the date of the transaction. Foreign currency monetary items outstanding as at the Balance sheet date are reported using the closing date. Gain and losses resulting from the settlement of such transactions and translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Profit and Loss Account.

1.9 TAX ON INCOME

- a. The accounting treatment for income Tax in respect of Company's income is based on the Accounting Standard 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. Tax on income for the current period is determined on the basis of Taxable Income computed in accordance with the provisions of the Income Tax Act, 1961.
- b. Deferred Tax on timing differences between the accounting income and taxable income for the year is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. In situations where the company has carry forward unabsorbed depreciation or tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

NOTE 2 : SHARE CAPITAL

2.1 Authorised, Issued, Subscribed and Paid up Capital:

Particulars	As At	As At	As At	As At
	31-Mar-2016	31-Mar-2015	31-Mar-2016	31-Mar-2015
	Nos	Nos	₹	₹
Authorised Capital				
Equity Shares face value of ₹ 10/- each	10,000	10,000	100,000	100,000
Issued, Subscribed and Paid up Capital				
Equity Shares face value of ₹ 10/- each	10,000	10,000	100,000	100,000

2.2 Reconciliation of number of Equity Shares Outstanding :

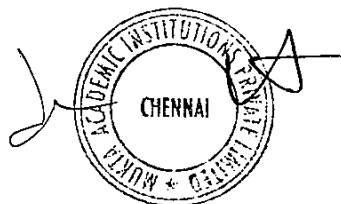
Particulars	As At	As At
	31-Mar-2016	31-Mar-2015
	Nos	Nos
Shares Outstanding at the beginning of the year	10,000	10,000
Add: Shares Issued during the year		
Further Allotment	-	-
Shares Outstanding at the end of the year	10,000	10,000

2.3 Equity Shares holding by Group Companies :

Particulars	Class of Shares	As At	As At
		31-Mar-2016	31-Mar-2015
		Nos	Nos
By Holding Company	Equity	10,000	10,000
		10,000	10,000

2.4 Shareholders holding more than 5 % :

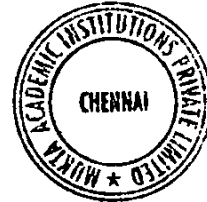
Sl	Name of the Shareholders	As At		As At	
		31-Mar-2016		31-Mar-2015	
		Nos	%	Nos	%
1	MARG Limited	10,000	100%	10,000	100%
		10,000	100%	10,000	100%



MUKTA ACADEMIC INSTITUTIONS PRIVATE LIMITED

Notes To The Financial Statements

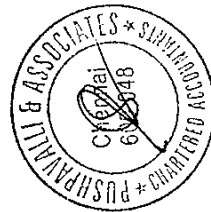
Particulars	As At	As At
	31-Mar-2016	31-Mar-2015
	₹	₹
NOTE 3 : RESERVES & SURPLUS		
Profit & Loss Account:		
Balance at the beginning of the Year		(21,592,486)
Profit (loss) for the Year	(39,788,434)	(18,195,948)
Balance at the end of the Year	<u>(60,187,627)</u>	<u>(39,788,434)</u>
NOTE 4 : SHORT-TERM BORROWINGS		
Unsecured Short-term Loans:		
From Others:		
Loans From Holding Company	112,915,718	112,905,318
Loans From Other Company	-	-
	<u>112,915,718</u>	<u>112,905,318</u>
NOTE 5 : TRADE PAYABLE		
Trade Payables	<u>2,277,593</u>	<u>2,257,593</u>
	<u>2,277,593</u>	<u>2,257,593</u>
NOTE 6 : OTHER CURRENT LIABILITIES		
Interest Accrued but Not Due on Borrowings	-	-
Interest Accrued but Due on Borrowings	55,190,460	35,278,933
Other Payables		
Advances from Customers	6,205,000	6,205,000
Expenses Payable	27,481	40,481
Statutory Dues	50,838	50,838
	<u>61,473,779</u>	<u>41,575,252</u>
NOTE 7 : SHORT-TERM PROVISIONS		
Others:		
Provision for Income Tax	<u>269,720</u>	<u>269,720</u>
	<u>269,720</u>	<u>269,720</u>



MUKTA ACADEMIC INSTITUTIONS PRIVATE LIMITED
Notes To The Financial Statements

NOTE 8 : FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As At 31-Mar-2015	Additions	Deductions/ Transfers	As At 31-Mar-2016	Up to 31-Mar-2015	For the year	Deletions	Up to 31-Mar-2016	As At 31-Mar-2016	As At 31-Mar-2015
INTANGIBLE ASSET										
TANGIBLE ASSET										
Land	75,132,619	-	-	75,132,619	-	-	-	-	-	-
Total	75,132,619	-	-	75,132,619	-	-	-	-	75,132,619	75,132,619
Previous Year	75,132,619	-	-	75,132,619	-	-	-	-	75,132,619	75,132,619
Capital Work in Progress	24,990,087	-	-	24,990,087	-	-	-	-	24,990,087	24,990,087
Total	24,990,087	-	-	24,990,087	-	-	-	-	24,990,087	24,990,087
Previous Year	24,990,087	-	-	24,990,087	-	-	-	-	24,990,087	24,990,087



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MUKTA ACADEMIC INSTITUTIONS PRIVATE LIMITED

Notes To The Financial Statements

Particulars	As At 31-Mar-2016 ₹	As At 31-Mar-2015 ₹
NOTE 9 : TRADE RECEIVABLES		
Unsecured and considered good		
Outstanding for more than 6 months	-	-
Others	-	-
	16,376,000	16,376,000
	16,376,000	16,376,000
NOTE 10 : CASH & CASH EQUIVALENTS		
Cash Balance		
	-	-
Balances with Scheduled Banks		
In Current Accounts	12,001	17,201
	12,001	17,201
NOTE 11 : SHORT-TERM LOANS & ADVANCES		
Unsecured Short-Term Loans & Advances and considered good		
Others		
Advances Recoverable	-	465,066
Prepaid Taxes	338,476	338,476
	338,476	803,542
	338,476	803,542
NOTE 12 : FINANCE COST		
Interest on Loans		
	20,376,593	18,169,089
Less : Interest Recovered		
	-	-
Net Interest		
	20,376,593	18,169,089
Bank & Finance Charges		
	-	604
	20,376,593	18,169,693
NOTE 13 : OTHER EXPENSES		
Rates & Taxes		
	-	150
Secretarial Expenses		
Audit Fee	2,600	4,974
- Other Services	20,000	20,000
Legal & Professional Charges		
	-	-
	22,600	25,124
	22,600	25,124



MUKTA ACADEMIC INSTITUTIONS PRIVATE LIMITED

Notes To The Financial Statements

NOTE 14 : CONTINGENT LIABILITIES :

- Estimated amount of liability on capital contracts : Nil (PY: Nil)
- The company has given its land as collateral security for loan raised by Marg Limited (Holding Company).

NOTE 15 : PREPARATION OF THE FINANCIAL STATEMENTS ON 'GOING CONCERN' BASIS

a) The company's land of 14.96 acres having a carrying cost of ₹ 7,74,93,473/- (including development cost) as on 31st March, 2016 was provided as security for the loan taken by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The company has received notices under SARFAESI Act, including possession notice for 6.95 acres during the year.

b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

NOTE 16 : RELATED PARTY DISCLOSURES :

The following is the list of related parties:

- Holding Company – Marg Limited
- List of fellow subsidiaries, where control existed during the year:

Sl Company Name	Sl Company Name
1 Advance Infradevelopers Private Limited	2 Agni Infradevelopers Private Limited
3 Akhil Infrastructure Private Limited	4 Ambar Nivas Private Limited
5 Amir Constructions Private Limited	6 Anumanthai Beachside Resorts Private Limited
7 Anuttam Academic Institutions	8 Aprati Constructions Private Limited
9 Archana Infradevelopers Private Limited	10 Arohi Infrastructure Private Limited
11 Aroopa Infradevelopers Private Limited	12 Ashram Infradevelopers Private Limited
13 Atul Institutions of Learning	14 Avatar Constructions Private Limited
15 Bharani Infrastructure Private Limited	16 Comex Infrastructure Private Limited
17 Darpan Educational Institutions	18 Darshan Homes Private Limited
19 Dasha Infradevelopers Private Limited	20 Future Parking Private Limited
21 Guiding Infradevelopers Private Limited	22 Hilary Constructions Private Limited
23 Kanchanajunga Infradevelopers Private Limited	24 Karaikal Port Private Limited
25 Karaikal Power Company Private Limited	26 Kirtidhara Academic Institutions
27 Magnumopus Infrastructure Private Limited	28 Marg Aviations Private Limited
29 Marg Business Park Private Limited	30 MARG Hotels and Service Apartments Private Ltd
31 Marg Industrial Clusters Limited	32 Marg Infrastructure Developers Limited
33 Marg International Dredging PTE Ltd	34 Marg Logistics Private Limited
35 Marg Marine Infrastructure Limited	36 Marg Properties Limited
37 Marg Sri Krishnadevaraya Airport Private Limited	38 Marg Swarnabhoomi Port Private Limited
39 Marg Trading PTE Ltd	40 Navrang Infrastructure Private Limited
41 Navita Estates Private Limited	42 O M R Developers Private Limited
43 New Chennai Township Private Limited	44 Rainbow Habitat Private Limited
45 Parivar Apartments Private Limited	46 Saptajit Projects Private Limited
47 Riverside Infrastructure (India) Private Limited	48 Shikha Infrastructure Private Limited
49 Sarang Infradevelopers Private Limited	50 Shubham Vihar Private Limited
51 Signa Infrastructure India Limited	52 Sulekh Constructions Private Limited
53 Swatantra Infrastructure Private Limited	54 Talin Infradevelopers Private Limited
55 Uttarak Infradevelopers Private Limited	56 Vyan Infraprojects Private Limited
57 Yuva Constructions Private Limited	58 Wisdom Constructions Private Limited

- Entity over which KMP of Holding Company and/or their relatives exercise control:

Sl Company Name

- Exemplarr Worldwide Limited



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MUKTA ACADEMIC INSTITUTIONS PRIVATE LIMITED

Notes To The Financial Statements

d. The following transactions were carried out with the related parties during the course of the business:

Particulars	Holding Company		Entity over which KMP of Holding Company and/or their relatives exercise control	
	Transactions			
	Year Ended		Year Ended	
	31-Mar-2016	31-Mar-2015	31-Mar-2016	31-Mar-2015
Loan Received(Repaid)	10,400	14,416	-	-
Interest Paid	20,376,593	17,873,934	-	-
Service Received	-	-	-	-
Guarantees & Collaterals Issued	-	-	-	-
Balances				
	As At		As At	
	31-Mar-2016	31-Mar-2015	31-Mar-2016	31-Mar-2015
Loan Received	167,732,557	147,345,564	-	-
Trade Payable	-	-	32,399	32,399
Guarantees & Collaterals Issued	41,473,000	41,473,000	-	-

NOTE 16 : OPERATING LEASES

The Company does not have any obligations under any leases for office and residential space.

NOTE 17 : INFORMATIONS UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as the period end together with interest paid / payable under this Act have not been given.

NOTE 18 : EARNINGS PER SHARE (EPS):

Sl. Particulars No	Year Ended 31-Mar-2016	Year Ended 31-Mar-2015
a. Profit After Tax (₹)		
For Basic & Diluted EPS	(20,399,193)	(18,195,948)
b. Weighted average number of equity shares (Nos)		
For Basic &	10,000	10,000
For Diluted EPS	10,000	10,000
c. Earning Per Share (₹)		
Basic	(2,039.92)	(1,819.59)
Diluted	(2,039.92)	(1,819.59)
d. Nominal Value Per Share (₹)	10	10

NOTE 19 : PRESENTATION OF PREVIOUS YEAR'S FIGURES

Previous year's figures have been regrouped / reclassified / rearranged wherever necessary to bring them in conformity with the current year figures.

As per my Report of even date attached

For and on behalf of Board of Directors

S.Pushpavalli
Chartered Accountant
Membership No : 232743

H GANESH
Director

B JAYARAJ
Director

Place : Chennai
Date : 30-May-2016

