

M. GANESAN & ASSOCIATES

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

**To the Members of
TARINI SUGAR AND DISTILLARIES LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **TARINI SUGAR AND DISTILLARIES LIMITED** ("the Company") which comprises the balance sheet, as at 31st March 2022, the Statement of Profit & Loss Account and Cash flow statement for the year ended on that date and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to preparation and presentation of these financial statements that give a true and fair view of financial position and financial performance and cash flows of the Company in accordance with 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 provisions of 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 control, 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

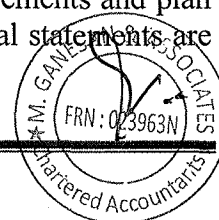
Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account into 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 there under.

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 ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

**451-452, 3rd Floor, Leela Ram Market, Masjid Moth,
South Extension Part II, New Delhi 110049**

Tel: (011) 41515861/ +91-98 10157488; Email: maha.ganesu@gmail.com



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 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 of an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by Company's director, 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 reasonable basis for our opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, **subject to Note 1(a) & Note no 17 regarding confirmation from the parties**, 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, 2022
- b) In the case of Statement of Profit & Loss Account of the loss for the year ended on that date, and
- c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

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, we give in the annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
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 appears from our examination of those books;



- c) The Balance Sheet and Statement of Profit & Loss Account and Cash flow Statement dealt with by this report are in agreement with the books of accounts;
- 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 Companies (Accounts) Rules, 2014.
- e) In our opinion, there are no adverse observations and comments on the financial transactions of the matters which have adverse effect on the functioning of the company except for unsecured loans and advances which were not confirmed by the Parties.
- f) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act and
- g) In our opinion, there are no qualifications, reservation or adverse remark relating to maintenance of accounts and other matter connected therewith.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The company has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer to Note 20)
- ii) The company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection fund by the company.

UDIN: 22072283AJOTOL6070

Place: New Delhi
Date: 25.05.2022

For M Ganesan & Associates
Chartered Accountants

(FRN: 023963N)

M. Ganesan (M. No. 072283)

Partner
Chartered Accountant



Annexure referred to in the Auditor's Report to the members of Tarini Sugars and Distilleries Limited on the accounts for the year ended 31st March, 2022

- 1 (a) The Company does not have any fixed assets other than some lands purchased from various person. Though the company has the documents for the lands, it does not maintain any asset register.
- b) As explained to us, assets have been physically verified by the management at regular interval. As informed to us no material discrepancies were noticed on such verification.
- 2 As per information and explanations provided to us, The Company does not have any inventory and as such clause (ii)(a) to (ii)(c) are not applicable.
- 3 According to the information and explanations given to us, the company has not granted interest free loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act, 2013. Accordingly, the provision of clause (iii)(a) & (iii)(b) of the order are not applicable.
- 4 In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventories, services and fixed assets and with regard to sale of goods / services. Further on the basis of our examination and according to the information and explanation given to us, we have neither come across nor have been informed of any instance or major weakness in the aforesaid internal control system.
- 5 In our opinion and according to the information and explanations given to us, the company has not accepted by any deposit from the public. Consequently, the provisions of section 73 to 76 of the Companies Act, 2013 the companies (Acceptance of deposits) Rules, 2014 are not applicable.
- 6 As Discussed in Board of Directors Meeting, Rule 3 of Companies (Cost Records and Audit) Rules, 2014 for the cost records maintenance not applicable to the company.
- 7(a) According to the records of the company and information and explanation given to us, the company, has neither deducted nor provided for the TDS payable on Interest on loan amounting to Rs.326196
- (b) According to the information available on the Income tax portal of the company, demand for A.Y 2012-13 Rs.13950270/- u/s263 and for A.Y. 2015-16 Rs. 20846730/- u/s 144 is outstanding and company's appeal before the first appellate are dismissed as withdrawn in view of the Apex Court order in SLP No: 9203/2015.

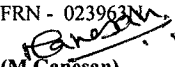


TARINI SUGAR AND DISTILLARIES LIMITED
Balance Sheet as at March 31, 2022

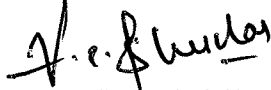
| (Amount in Rs.) | | | |
|--|-------------------|-------------------------|-------------------------|
| Particulars | Note Reference | As at March 31, 2022 | As at March 31, 2021 |
| I EQUITY AND LIABILITIES | | | |
| 1 Shareholders' funds | | | |
| (a) Share capital | 2 | 83,00,000 | 83,00,000 |
| (b) Reserves & Surplus | 3 | (2,63,06,072) | (2,25,95,938) |
| | | (1,80,06,072) | (1,42,95,938) |
| 2 Share Application money pending allotment | | - | - |
| 3 Non- Current Liabilities | | | |
| (a) Long Term Borrowing | | - | - |
| (b) Deffered Tax Liabilities (net) | | - | - |
| (c) Other Long Term Liabilities | | - | - |
| (d) Long Term Provisions | | - | - |
| Total non current Liabilites | | - | - |
| 4 Current liabilities | | | |
| (a) Short-term borrowings | 4 | 8,93,74,172 | 8,40,05,844 |
| (b) Trade Payables | | | |
| (c) Other current liabilities | 5 | 46,06,343 | 46,13,420 |
| (d) Short-term Provisions | | | |
| Total current liabilities | | 9,39,80,515 | 8,86,19,264 |
| Total | | 7,59,74,443 | 7,43,23,326 |
| II. ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Property, plant and Equipments | | | |
| (i) Tangible Assets | 6 | 40,79,020 | 40,79,020 |
| (ii) Intangible Assets | | | |
| (iii) Capital work in Progress | | | |
| (b) Non - current investments | 7 | 2,50,000 | 2,50,000 |
| (c) Deffered Tax Assets (net) | | | |
| (d) Long Term Loans and Advances | | | |
| (e) Other non - current assets | 8 | 2,24,81,302 | 2,24,81,302 |
| Total non-current assets | | 2,68,10,322 | 2,68,10,322 |
| 2 Current assets | | | |
| (a) Current Investments | 9 | 1,13,15,147 | 1,14,27,647 |
| (b) Inventories | | | |
| (c) Trade Receivables | | | |
| (d) Cash and cash equivalents | 10 | 13,54,844 | 9,61,227 |
| (e) Short - term loans and advances | 11 | 3,60,63,869 | 3,47,93,869 |
| (f) Other Current Assets | 12 | 4,30,261 | 3,30,261 |
| Total current assets | | 4,91,64,121 | 4,75,13,004 |
| Total | | 7,59,74,443 | 7,43,23,326 |


Notes to Accounts forms Integral part of Financial statements 1-21

As per our report of even date attached.

UDIN: 22072283AJOTOL6070
For M Ganesan and Associates.
Chartered Accountants
FRN - 023963N

(M Ganesan)
Partner
Membership No. 072283

FOR AND ON BEHALF OF THE BOARD


Vakamulla Chandrashekhar
Managing Director


V. Anu Naidu
Director

New Delhi
Date: 25.05.2022

TARINI SUGAR AND DISTILLARIES LIMITED
Statement of Profit and Loss for the year ended March 31, 2022

| Particulars | Note Reference | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------|-------------------------|-------------------------|
| Income | | | |
| Revenue from operations | 13 | - | - |
| Other Income | 14 | 6,25,000 | 4,50,000 |
| Total Revenue | | 6,25,000 | 4,50,000 |
| Expenditure | | | |
| Employee benefit expenses | | 8,04,058 | 2,76,754 |
| Other expenses | 15 | 34,56,075 | 36,04,002 |
| Total Expenses | | 42,60,133 | 38,80,756 |
| Profit /(Loss) before tax | | (36,35,133) | (34,30,756) |
| Prior Period adjustments | | (75,000) | |
| Tax expense: | | | |
| Current Tax | | - | - |
| Net profit for the year | | (37,10,133) | (34,30,756) |
| Earning per Equity Share of Rs 10 each (8,30,000 share) | | | |
| Basic and Diluted (Rupees) | 10 | (4.47) | (4.13) |

Significant Accounting Policies (Refer Note 1) and various notes on Financial Statements are an integral part of Financial statements

As per our report of even date attached.

UDIN: 22072283AJOTOL6070

For M Ganesan and Associates.

Chartered Accountants

FRN - 023963N


(M Ganesan)

Partner

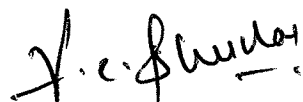
Membership No. 072283


UDIN:

New Delhi

Date: 25.05.2022

FOR AND ON BEHALF OF THE BOARD


Vakamulla Chandrashekhar
Director


V. Anu Naidu
Director

TARINI SUGAR AND DISTILLARIES LIMITED
Cash Flow Statement for the year ended March 31, 2022

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| A) Cash Flow From operating Activities | | |
| Profit After Tax | (37,10,133) | (34,30,756) |
| Less: Intt Income | (6,25,000) | (4,50,000) |
| Less: Agriculture Income | - | - |
| Add: Interest Expenses | 32,61,963 | 34,67,782 |
| Operating Profit before W.C changes | (10,73,170) | (4,12,974) |
| Working Capital Changes | | |
| Decrease / (Increase) in Current Asset | (12,37,500) | (12,91,500.00) |
| Increase / (Decrease) in Current Liabilities | 88,79,833 | 80,19,631.00 |
| Cash Flow from Operating Activities (A) | 65,69,163 | 63,15,157 |
| B) Cash Flow From Investing Activities | | |
| Purchase of Fixed Assets | - | - |
| Investment in Tarini Infra | - | - |
| Investment in FDR & Advances | - | - |
| Interest Income | 6,25,000 | 4,50,000 |
| Agriculture Income | - | - |
| Cash Flow from Investing Activities (B) | 6,25,000 | 4,50,000 |
| C) Cash Flow From Financing Activities | | |
| Loan Proceeds | 40,91,418 | 36,34,811.00 |
| Repayment of Loan | (76,30,000) | (69,85,000.00) |
| Interest Expenses | (32,61,963) | (34,67,782.00) |
| Cash Flow from Financing Activities (C) | (68,00,545) | (68,17,971) |
| Net Increase in Cash & Cash Equivalents (A+B+C) | 3,93,617 | (52,814) |
| Opening Cash & Cash Equivalents | 9,61,227 | 10,14,041 |
| Closing Cash & Cash Equivalents | 13,54,844 | 9,61,227 |

Significant Accounting Policies (Refer Note 1) and various notes on Financial Statements are an integral part of Financial statements

As per our report of even date attached.

UDIN: 22072283AJOTOL6070

For M Ganesan and Associates.

Chartered Accountants

FRN - 023963N


(M Ganesan)

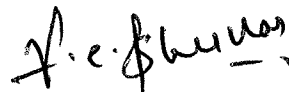
Partner


Membership No. 072283

New Delhi

Date: 25.05.2022

FOR AND ON BEHALF OF THE BOARD


Vakamulla Chandrashekhar
Managing Director


V. Anu Naidu
Director

TARINI SUGAR AND DISTILLARIES LIMITED

Note 1 - Significant Accounting Policies and Notes forming part of the financial statements

I. Background

Tarini Sugar and Distillaries limited (hereinafter referred to as "the Company") is engaged in the business of manufacturing of sugar, power generation and in job work of agricultural activities.

II. Significant accounting policies

A Basis of accounting and preparation of financial statements

The financial statements have been prepared under the historical cost convention on an accrual basis in accordance with Generally Accepted Accounting Principles (Indian GAAP) and notified accounting standards as prescribed under section 133 of the Companies Act, 2013 (Act) read with Rule 7 of Companies (Accounts) Rules, 2016 and the relevant provisions of the Companies Act, 2013 (to the extent notified). The accounting policies have been consistently applied by the company and are consistent with those used in the previous year.

B. Going concern Concept:

The company's net worth and its capital has been completely wiped off and has been in the negative raising the question about its ability to continue the activities of the company. However, the management has given an undertaking, necessary fund for activities of the company, once the problems faced by the company is resolved, will be brought in by the Promoters and their group company.

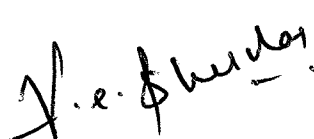
C Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the balances of assets and liabilities and disclosure relating to contingent liabilities as at the reporting date of the financial statements and the amounts of income and expenses during the period of account. Examples of such estimates include provision for doubtful debts, income taxes and future obligations under employee retirement benefit plans. Management periodically assesses whether there is an indication that an asset may be impaired and makes provision in the accounts for any impairment losses estimated. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Actual results could differ from those estimates.

D Preliminary Exp. And deferred revenue Exp.

Expenditure shall be amortized over a period of five years after commencement of commercial production.

E Provisions



TARINI SUGAR AND DISTILLARIES LIMITED

Notes to the Financial Statements

| | As at March 31,2022 | As at March 31,2021 |
|---|------------------------|------------------------|
| NOTE 2 - SHARE CAPITAL | | |
| Authorised | | |
| 10,00,000(Previous year- 10,00,000) equity shares of Rs. 10 each | 1,00,00,000 | 1,00,00,000 |
| Issued, subscribed and fully paid up | | |
| 8,30,000 (Previous year- 8,30,000) equity shares of Rs. 10 each, fully paid | 83,00,000 | 83,00,000 |
| Total | 83,00,000 | 83,00,000 |

i Movement of share capital:-

| | As at March 31,2022 | As at March 31,2021 |
|---|------------------------|------------------------|
| Equity Shares | | |
| Number of outstanding shares at the beginning of the year | 8,30,000 | 8,30,000 |
| Shares issued/ bought back during the year | - | - |
| Number of outstanding shares as at the end of the year | 8,30,000 | 8,30,000 |

ii The details of shareholders holding more than 5 percent shares:-

| Name of the Shareholder | As at March 31, 2022 | | As at March 31, 2021 | |
|----------------------------------|----------------------|--------|----------------------|--------|
| | No. of Shares | % held | No. of Shares | % held |
| M/s Tarini International Limited | 5,35,900 | 64.57 | 5,35,900 | 64.57 |
| Mr. Vakamulla Chandrashekhar | 1,45,500 | 17.53 | 1,45,500 | 17.53 |
| Mr.Vellore Subramanion Suresh | 57,375 | 6.91 | 57,375 | 6.91 |

NOTE 3 - RESERVES & SURPLUS

| | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| a. Surplus | | |
| Opening balance | (2,25,95,938) | (1,91,65,182) |
| (+) Net Profit/(Net Loss) For the current year | (37,10,134) | (34,30,756) |
| (+) Transfer from Reserves | | |
| (-) Proposed Dividends | | |
| (-) Interim Dividends | | |
| (-) Transfer to Reserves | | |
| Closing Balance | (37,10,134) | (34,30,756) |
| Total | (2,63,06,072) | (2,25,95,938) |

Jr.

V. C. Suresh

Am

TARINI SUGAR AND DISTILLARIES LIMITED

Notes to the Financial Statements

NOTE 4 - BORROWINGS

| | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Unsecured | | |
| Long Term Borrowings:- | | |
| - Others | - | - |
| Total | - | - |
| Short Term Borrowings:- | | |
| -Loans and advances from related parties | 8,93,74,171.62 | 8,40,05,843.62 |
| -Others | - | - |
| Total | 8,93,74,171.62 | 8,40,05,843.62 |

NOTE 5 - OTHER CURRENT LIABILITIES

| | As at March 31,2022 | As at March 31,2021 |
|------------------------------------|------------------------|------------------------|
| Other payables | | |
| - Taxes and other statutory dues** | 36,70,678 | 36,70,678 |
| - Others ¹ | 9,35,665 | 9,42,742 |
| Total | 46,06,343 | 46,13,420 |

** Company has neither deducted nor provided for TDS on interest paid

¹Others include non trade payables

As on March 31,2002

| Particulars | Outstanding for following periods from due date of payments | | | | Total |
|----------------------|---|---------------|-----------|------------------|-----------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 year | |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 64,833 | 14,645 | - | 8,56,187 | 9,35,665 |
| (iii) Disputed MSME | - | - | - | - | - |
| (iv) Disputed Others | - | - | - | - | - |
| TOTAL | 64,833 | 14,645 | - | 8,56,187 | 9,35,665 |

As on March 31, 2021

| Particulars | Outstanding for following periods from due date of payments | | | | Total |
|----------------------|---|---------------|---------------|------------------|-----------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 year | |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 29,500 | 29,500 | 27,555 | 8,56,187 | 9,42,742 |
| (iii) Disputed MSME | - | - | - | - | - |
| (iv) Disputed Others | - | - | - | - | - |
| TOTAL | 29,500 | 29,500 | 27,555 | 8,56,187 | 9,42,742 |

Jr.

V. R. Shukla

Amu

TARINI SUGAR AND DISTILLARIES LIMITED

Notes to the Financial Statements

NOTE 6 - FIXED ASSETS - TANGIBLE

| | As at March 31, 2022 | As at March 31, 2021 |
|---------------------------------------|-------------------------|-------------------------|
| Factory Land at Perbhani, Maharashtra | 40,79,020 | 40,79,020 |
| Total | 40,79,020 | 40,79,020 |

NOTE 7 - NON CURRENT INVESTMENTS

| | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Long Term Investments (Non - Trade) | | |
| Unquoted | | |
| Venture Infrastructure Ltd | 2,50,000 | 2,50,000 |
| Total | 2,50,000 | 2,50,000 |

NOTE 8 - OTHER NON CURRENT ASSETS

| | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Preliminary expenses | 2,00,944 | 2,00,944 |
| Preoperative Exp (Net of Preoperative Income) | 2,22,80,358 | 2,22,80,358 |
| Total | 2,24,81,302 | 2,24,81,302 |

NOTE 9 - CURRENT INVESTMENT

| | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| FDR with Kisan Nagari Sahakari Bank (note 1) | 1,00,00,000 | 1,00,00,000 |
| Equator Financial Services Ltd* | 13,15,147 | 13,15,147 |
| Interest accrued on FDR with Kisan Nagari Sahakari Bank | - | 1,12,500 |
| Total | 1,13,15,147 | 1,14,27,647 |

Note 1: Includes Rs.61.50 lac under lien against BG

* includes interest accrued

[Handwritten signatures]

TARINI SUGAR AND DISTILLARIES LIMITED

Notes to the Financial Statements

NOTE 10 - CASH AND CASH EQUIVALENTS

| | As at March 31, 2022 | As at March 31, 2021 |
|---------------------|-------------------------|-------------------------|
| Balances with banks | 3,59,240 | 47,623 |
| Cash on hand | 9,95,604 | 9,13,604 |
| Total | 13,54,844 | 9,61,227 |

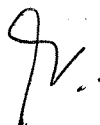
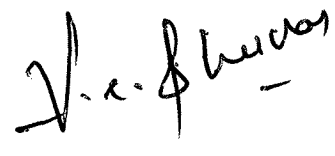

NOTE 11 - LOANS AND ADVANCES

(unsecured, considered good unless otherwise stated)

| | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Short Term:- | | |
| Loan and advances to related parties | - | - |
| Other loans and advances | | |
| - Dues from employees | 8,50,000 | 50,000 |
| - Other advances recoverable in cash or in kind or for the value to be received | | |
| Unsecured - considered good (subject to confirmation from parties) | 3,52,13,869 | 3,47,43,869 |
| - Less : Allowance for doubtful advances | | |
| Total | 3,60,63,869 | 3,47,93,869 |

NOTE 12 - Other Current Assets

| | As at March 31, 2022 | As at March 31, 2021 |
|------------------------|-------------------------|-------------------------|
| Sundry Debtors | | |
| Less than Six months | - | - |
| More than Six months | - | - |
| Tax Deducted at Source | 4,00,261 | 3,00,261 |
| Security deposits | 30,000 | 30,000 |
| Total | 4,30,261 | 3,30,261 |

TARINI SUGAR AND DISTILLARIES LIMITED

Notes to the Financial Statements

NOTE 13 - Income from operations

| | As at March 31, 2022 | As at March 31, 2021 |
|-------------------------|-------------------------|-------------------------|
| Revenue from Operations | - | - |
| Total | - | - |

NOTE 14 - Other Income

| | As at March 31, 2022 | As at March 31, 2021 |
|-----------------|-------------------------|-------------------------|
| Interest on FDR | 6,25,000.00 | 4,50,000.00 |
| Total | 6,25,000.00 | 4,50,000.00 |

NOTE 15 - Other Expenses

| | As at March 31, 2022 | As at March 31, 2021 |
|---------------------------------|-------------------------|-------------------------|
| Accounting Charges | 18,000.00 | 18,000.00 |
| Maintenance | 14,660.00 | - |
| Auditor's Remuneration | 29,500.00 | 29,500.00 |
| Bank Charges | 1,519.18 | 1,640.52 |
| Filing Fee | 4,305.00 | 4,305.00 |
| Interest on Loan | 32,61,963.00 | 34,67,782.00 |
| Misc. Expenses | 10,899.19 | 19,717.00 |
| Telephone Expenses | 4,250.00 | 3,257.00 |
| conveyance Exp | 20,000.00 | - |
| Interest on late payment of TDS | - | 25,050.00 |
| Legal & Professional charges | 25,900.00 | 34,750.00 |
| Business promotion | 46,000.00 | - |
| Travelling expenses | 19,079.00 | - |
| Total | 34,56,075.37 | 36,04,001.52 |

ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS:-

NOTE 16

During the FY 17-18, the company has commenced the commercial activities by trading in wine and agricultural products and hence the profit and loss statement has been prepared accordingly considering the Going concern concept.

J.V.

M. C. Shukla

Amu

TARINI SUGAR AND DISTILLARIES LIMITED

Notes to the Financial Statements

NOTE 17

In the opinion of the management, the balances shown under receivables, payables, loans & advances and other Assets whether current or non current have approximately the same realizable value as shown in the accounts. However these balances are subject to confirmations. It is observed that the balances are very old outstanding and there is no movement of the balance. Despite the management being optimistic about the recoverability, we are not in a position to comment upon the realisable value of the balance shown since no confirmation has been produced before us.

NOTE 18

In the absence of the confirmation/ information regarding the applicability of the MSME of the creditors payable, we are not in a position to quantify the amounts payable to MSME enterprises hence we are unable to comment thereupon.

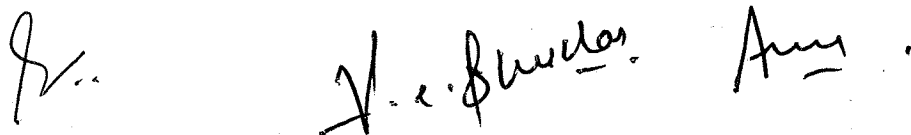
NOTE 19

Based on information available with the company as on March 31, 2022, there is no dues to Small Scale Industrial Undertakings as defined in the Small Scale and Ancillary Industrial Undertakings Act, 1993.

Note 20 Contingent Liability not provided for

| Particulars | 31-Mar-22 | 31-Mar-21 |
|--|-----------|-----------|
| Short deduction of TDS including interest & penalty u/s 234E | 2102 | 2102 |
| Income Tax Demand u/s 263 for AY 12-13 | 13950270 | 14035560 |
| Income Tax demand u/s 144 for AY 15-16 | 20846730 | 20846730 |

The management of the company has objected to the Commissioner of Income Tax -IX, New Delhi, the order passed by the AO for AY 12-13 & demand raised, relying on the order of the Apex court in SLP 14845/2015 grouped in SLP No: 9203/2015 and WP(C) 5642/2014 & CM 13971/2014 and 3672/2015. The Deptt has filed SLP against above orders and the assessment orders are subject to final decision by the Supreme court and assessments are done on a protective basis. However, the legality of the application by the company are not ascertainable. The management is honestly hopeful of getting relief at the appeal and hence believes that ultimate outcome of these proceedings will not have a material adverse effect on company's financial position and performance. Appeal filed before the CIT(A) for the above assessment years, have been withdrawn based on by the company and accordingly order by the CIT (A) was passed dismissing the appeal based on the dismissal of the departmental SLP before the Apex court. As regards the liability on TDS which is due to short deduction of TDS, the company has not provided any liability towards this, though the demand is ascertained.



TARINI SUGAR AND DISTILLARIES LIMITED

Notes to the Financial Statements

NOTE 21 -RELATED PARTY DISCLOSURES

A Key Management Personnel:-

Director:-V Chandrashekhar Naidu
Director:-Anu Naidu

B Enterprises over which directors exercise significant influence/control

- M/s Tarini International Limited
- M/s Tarini Lifesciences Limited
- M/s Tarini overseas Mining and Operations Limited
- M/s Venture Energy and Technologies Limited
- M/s Venture Infrastructure Limited
- M/s B Soilmec India Pvt Ltd
- M/s Tarini Humanitarian Demining & Rehabilitation Works
- M/s Tarini Infrastructure Limited
- M/s Tarini Sugar & Distillaries Limited

C Closing Balance (Related Party)

| | As at March 31, 2022 | As at March 31, 2021 |
|--------------------------------|-------------------------|-------------------------|
| Short Term Borrowings:- | | |
| V Chandrashekhar Naidu | 49,82,283.00 | 57,22,283.00 |
| Tarini International Limited | 6,11,00,673.62 | 6,38,99,255.62 |
| Tarini Infrastructure Ltd | 2,32,91,215.00 | 1,43,84,305.00 |
| | <u>8,93,74,171.62</u> | <u>8,40,05,843.62</u> |
| Loans & advances | | |
| Mrs. Anu Naidu | 5,40,000.00 | 5,40,000.00 |
| Vakamulla Raghu Rama Naidu | 6,00,000.00 | 6,00,000.00 |
| | <u>11,40,000.00</u> | <u>11,40,000.00</u> |

Note 22: Disclosure of Financial Ratios

| Particulars | Numerator | Denominator | Ratio 31st March 2022 | Ratio 31st March 2021 | % of variance | Reasons for variance (if above 25%) |
|--------------------------------------|---|---|--------------------------|--------------------------|------------------|---|
| Debt Equity Ratio (times) | Long term Borrowings + Short term Borrowings (including current maturities of long term borrowings) | Total Equity | NA | NA | NA | The company's capital has eroded and equity fund is negative. Comparing this ratio is not logical hence not given |
| | 8,93,74,172 | -18006071.65 | | | | |
| Debt Service Coverage Ratio (times) | Profit before interest, tax, Depreciation, amortisation, impairment and exceptional items | Gross interest for the period + Principal repayment within a year | NA | NA | NA | The company has taken short term loans from companies under the same management and a director. Though interest (Rs 3261963) was provided for only one company, which was also not paid nor any TDS was deducted. Hence there is no service of debt. Therefore this ratio is not given as it does not serve any purpose |
| | -3710133.37 | 0 | | | | |
| Return on Equity | Net Profit for the period | Average Total Equity for the period | -45% | -41% | -8.14% | NA |
| | -3710133.37 | 83,00,000 | | | | |
| Inventory Turnover (times) | Cost of Material Consumed | Average Inventory for the period | NA | NA | | There is not trading or manufacturing activity, this ratio is not given |
| Trade Receivable Turnover (times) | Revenue from Sale of Goods and Service | Average Trade Receivable for the period | NA | NA | | There is not trading or manufacturing activity, this ratio is not given |
| Trade Payable Turnover (times) | Purchase of Goods and Service + Other Expenses | Average Trade Payable for the period | | | | There is not trading or manufacturing activity, this ratio is not given |
| Net Working Capital Turnover (times) | Revenue from Operation | Average working capital (Current asset less current liabilities) | NA | NA | | As there is no revenue from operations and as well as there is no trading or manufacturing activity, this ratio is not given |
| Net Profit Margin (%) | Net Profit for the period | Revenue from Operation | NA | NA | | As there is no profit for last 5 years and also there is no trading or manufacturing activity this ratio is not given |
| Return on Capital Employed (%) | Profit before interest, tax, . | Average of Total Equity + Total Debt for the period | (0.01) | #DIV/0! | NA | As there is no profit before Interest & tax for past 4 years, comparing is ratio is futile |
| | (4,48,170.37) | 7,13,68,100 | | | | |
| Return on Investment | Income earned on investment | Average investment for the period | NA | NA | NA | NA |

Since there is no commercial activity except for expenses incurred on compliance, there is no purpose for giving Financial Ratios

[Handwritten signatures]

TARINI SUGAR AND DISTILLARIES LIMITED

Notes to the Financial Statements

Note 23: Additional Regulatory Requirements

23.1 : Loans and advances to promoters, Directors, Key Managerial Personnel and Related Parties.

The company has taken a shortterm borrowings from companies under the same management and a director, which is outstanding since long. The amount Rs. (last yearRs.) was given without specifying any terms or period of repayment

23.2: No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions

23.3 : Registration of Charges or Satisfaction with Registrar of Companies (ROC)

During the year the company has not created any charge nor filed any satisfaction of charge already created.

23.4 : Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on

23.5 : Undisclosed Income

There are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the

23.6 : Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial year ended March 31, 2022 and March 31,

23.7 : Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender, as the Company had no borrowings

23.8 : Fraud Reporting

The company has not reported any fraud during the year ended march 31 2022 and March 31, 2021.

23.9 : CSR Expenses

The provisions of Corporate Social Responsibility Under Section 135 of Companies Act 2013 are not applicable to the company.

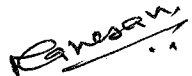
23.10 Relationship with Struck off companies

As per the information and certificate given by the management, that the company does not have any relationship with the struck off companies

For M Ganesan and Associates.

Chartered Accountants

FRN - 023963N



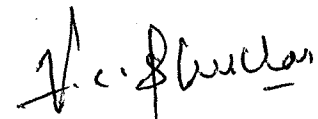
M Ganesan FCA

Membership No. 072283


New Delhi

Date: 25/05/2022

FOR AND ON BEHALF OF THE BOARD OF TARINI SUGAR AND DISTILLARIES LIMITED



Vakamulla Chandrashekhar
Director



V. Anu Naidu
Director