

MOTWANI CONSTRUCTIONS PRIVATE LIMITED
(CIN : U70100OR2008PTC010136)
GROUND FLOOR, SAMABAYA BHAWAN, UNIT-9, JANPATH,
BHUBANESWAR, ODISHA-751022

DIRECTORS' REPORT

Dear shareholders,

Your directors have pleasure in presenting the Annual Report of your company, together with the Audited Accounts for the year ended 31 March 2021.

FINANCIAL SUMMARY

The company has earned a profit of Rs.21, 56,397.34 for the year ended 31 March 2021. The break-up of profit is given as follows :

Particulars	2020-2021	2019-2020
Sales	4,94,15,721.54	2,98,84,851.89
Net Profit/(Loss) (PBDT)	25,31,460.20	18,74,186.50
Less : Depreciation	3,75,062.86	5,24,536.38
Profit after depreciation but before tax (PBT)	21,56,397.34	13,49,650.12
Less : Taxes	3,08,045.92	1,53,766.60
Net profit / (loss) for the period	11,95,883.52	11,95,883.52
No. of Shares	52,600	52,600
EPS	35.14	22.74
Proposed Dividend	0.00	0.00
Dividend tax	0.00	0.00
Balance of Profit Carried to B/S	18,48,351.42	11,95,883.52

DIVIDEND

The company does not propose any dividend during the current year.

TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

The board does not proposed any amount to carry to any specific reserves.

STATE OF COMPANY'S AFFAIRS

During the current financial year, the company has made Net Profit of Rs.21,56,397.34 as compared to Net Profit Rs 13,49,650.12 made in previous financial Year.

CHANGES IN NATURE OF BUSINESS

There is no significant changes had been made in the nature of the company during the financial year.

MATERIAL CHANGES AND COMMITMENTS OCCURRED BETWEEN THE DATE OF BALANCE SHEET AND THE DATE OF AUDIT REPORT

No significant material changes and commitments have occurred between the date of the balance sheet and the date of the audit report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS/COURTS/TRIBUNALS

There are no significant and material orders passed by Regulators/Court/Tribunals against the company.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, size and complexity of its operations. Internal control systems comprising of policies and procedures are designed to ensure liability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations, and that all assets and resources are acquired economically, used.

SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES AND THEIR PERFORMANCE

There is no Subsidiary company or Joint Venture or Associate Companies of the Company.

DEPOSITS

During the financial year, Company has not accepted any type of deposits. Neither, any type of deposits of previous year is Unpaid or Unclaimed during the financial year.

STATUTORY AUDITORS

M/s. KEJRIWAL & ASSOCIATES, CHARTERED ACCOUNTANTS, who are the statutory auditors of the Company, hold office up to the conclusion of the forth coming Annual General Meeting (AGM) and are eligible for re-appointment. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, it is proposed to appoint M/s. KEJRIWAL & ASSOCIATES, CHARTERED ACCOUNTANTS, as the statutory auditors of the company from the conclusion of the forthcoming AGM up to conclusion of the Fourth AGM, subject to ratification of their appointment at every AGM. A certificate from them has been received to the effect that their re-appointment, if made, would be within the prescribed limits

AUDITORS REPORT

Auditors had not made any qualification or did not make any adverse remark in their report regarding financial statements. Therefore, there is no need for any clarification or any comment on Auditors report.

SHARE CAPITAL

During the financial year, the Company had not issued any Equity Shares with Differential rights, any Sweat Equity Shares and any Employee Stock Options.

ANNUAL REPORT

The Extract of Annual report of the company in Form MGT-9 has been annexed with this report.

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

A) Conservation of Energy : Nil

B) Technology Absorption : Nil

C) Foreign Exchange earnings and outgo:

The company has no foreign exchange earnings and outgo transactions during the current financial year.

CORPORATE SOCIAL RESPONSIBILITY(CSR)

Provisions of Corporate social responsibility are not applicable to the Company. Accordingly details of activities have not been attached in the format specified in the annexure of Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014.

DIRECTORS

A) Changes in Directors and Key Managerial Persons:-

There is no change in Directors and Key Managerial Persons by way of Appointment, Re-designation, Resignation, Death, Disqualification and Variations made or Withdrawn, etc., of the company during the financial year.

B) Declaration by an Independent Director(s) and reappointment, if any:-

The Board of Directors of the company hereby confirms that they have received the declaration of fulfilling the criteria of Independent Director specified in subsection (6) of section 149 of the Companies Act, 2013 from all the Independent directors if appointed during the year.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company has done 4 number of meetings during this financial year which is in compliance to the provisions of the Companies Act, 2013.

LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has made following loans and Investments and has given following guarantees in compliance of section 186 of the Companies Act, 2013 during the financial year:-

S.No	Loan/Guarantee/ Investment	Date of Transaction	Name of Company	Amount
NIL	NIL	NIL	NIL	NIL
NIL	NIL	NIL	NIL	NIL
NIL	NIL	NIL	NIL	NIL
NIL	NIL	NIL	NIL	NIL

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Details in Form No AOC-2 for transaction entered with the related parties at on arm length or non arm length basis are NIL.

MANAGERIAL REMUNERATION

Provision of details of Managerial Remuneration required to be Disclosed in Boards Report as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to Company.

There is no employee who is withdrawing remuneration more than 60 Lacs per annum, more than 5 Lacs per month and more than remuneration of Managing Director or Whole Time Director.

RISK MANAGEMENT POLICY

Risks are event, situation or circumstances which may lead to negative consequences on the company's businesses. Risk management is a structured approach to manage uncertainty. A formal enterprise wide approach to Risk Management is being adopted by the company and key risks will now managed within unitary framework. As a formal roll-out, all business divisions and corporate function will embrace risk management policy and guidelines, and make use of these in their decisions making. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process in our multi-business, multi-site operations, over the period of time will become embedded into the company's business systems and processes, such that our responses to risks remain current and dynamic.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your directors confirm that:

- (i) In the preparation of the accounts for the financial year ended 31 March 2021 the applicable Accounting standards have been followed along with proper explanations relating to material departures;
- (ii) The directors have selected such accounting policies and applied them consistently and make judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the said financial year and of the profit and loss of the company for the said financial year;
- (iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The directors have prepared the accounts for the year ended 31 March 2021 on a 'going concern' basis.
- (v) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

Your company takes this opportunity to thank all the Shareholders and investors of the company for their continued support.

Your directors wish to place on record their appreciation for the co-operation and support received from employees, staff and other people associated with the company and look forward for their continued support.

Date : 21/12/2021

For and on behalf of the board

Place : BHUBANESWAR

MOTWANI CONSTRUCTIONS PRIVATE LIMITED

For Motwani Constructions Pvt. Ltd.
Pankaj Motwani
DIRECTOR

For Motwani Constructions Pvt. Ltd.
Manas Motwani
DIRECTOR

For Michael Gonsky, Esq.

DIRECTOR

MOTWANI CONSTRUCTIONS PRIVATE LIMITED

GROUND FLOOR, SAMABAYA BHAWAN, UNIT-9, JANPATH,
BHUBANESWAR, ODISHA-751022

NOTES TO ACCOUNTS

Note No	PARTICULARS	Amount (Rs) As at Dt. 31/03/2021	Amount (Rs.) As at Dt.31/03/2020
01.	SHARE CAPITAL		
	a) Authorised Share Capital 55,000 Equity Shares of Rs.100/- each.	55,00,000.00	55,00,000.00
	b) Issued Subscribed & paid up: 52,600 Equity Shares of Rs.100/- each.	52,60,000.00	52,60,000.00
	c) Reconciliation of Shares: 1. No. of Equity Shares 2. No. of Shares issued 3. No. of Equity Shares	52,600 Nil 52,600	52,600 Nil 52,600
	d) Share holders holding more than 5% of shares: <u>Name of the Share Holder & No. of Shares.</u> 1. Pankaj Motwani 2. Manas Motwani 3. Accurate Vintrade Pvt. Ltd 4. Clubside Dealcom Pvt Ltd. 5. Intellectual Trade Link Pvt Ltd 6. Newtown Merchants Pvt Ltd	5,000 4,500 3,900 5,000 10,000 17,000	5,000 4,500 3,900 5,000 10,000 17,000
02.	Reserve & Surplus Profit & Loss Account Add :- Profit During the year Total	5,92,00,416.12 21,56,397.35 6,05,92,064.64	5,81,01,387.60 10,99,028.52 5,92,00,416.12
03.	Share application money pending allotment Balance as at 31/03/2021 Share Application received during the year	Nil Nil	Nil Nil
04.	Non Current Liabilities a) Long Term Borrowings	NIL	10,22,306.00
05.	Current Liabilities a) Short Term Borrowings b) Trade Payable c) Other Current liabilities d) Provision for IT	Nil (51,92,552.00) 99,700,933.58 3,08,045.92	Nil (77,43,607.68) 12,26,60,096.58 1,53,766.60
06.	Non Current Assets		





	a) Tangible Assets	9,03,197.97	12,00,090.19
	b) Preliminary Expenses	Nil	Nil
07.	<u>Current Assets</u>		
	a) Inventories	5,33,60,845.76	6,72,07,971.39
	b) Current Investments	5,53,13,389.26	4,75,42,382.13
	c) Trade Receivables	Nil	Nil
	d) Other Current Assets	14,83,159.95	77,48,986.27
	e) Short Term Loans & Advances	4,82,98,085.00	5,61,49,393.00
	f) Cash & Cash Equivalent	13,09,814.20	7,04,154.64

	PARTICULARS	Amount (Rs) As at Dt.31/03/2021	Amount (Rs.) As at Dt.31/03/2020
08.	<u>REVENUE FROM OPERATION:</u>		
	a) Sales Recognized during the year	4,94,15,721.54	2,98,84,851.89
	b) Other Operating revenue	Nil	Nil
	Less : Excise duty	Nil	Nil
	Total	4,94,15,721.54	2,98,84,851.89
09.	<u>FINANCE COST:</u>		
	a) Interest Expenses	13,039.00	11,16,293.00
	b) Other borrowing costs	13,395.11	20,874.97
	c) Applicable net gain/loss on foreign currency transactions.	Nil	Nil
10.	<u>OTHER INCOME:</u>		
	a) Interest Income	Nil	Nil
	b) Dividend Income	Nil	Nil
	c) Net gain/loss on sale of investments	Nil	Nil
	d) Other no operating income	Nil	Nil
11.	<u>EMPLOYEES BENEFITS:</u>		
	a) Salaries & Wages	20,04,500.00	22,02,000.00
	b) Contribution to provident fund or other fund.	Nil	Nil
	c) Expenses on employees stock options.	Nil	Nil
	d) Staff welfare expenses	Nil	Nil
	TOTAL	20,04,500.00	22,02,000.00
12.	<u>OTHER EXPENSES INCLUDING PAYMENTS TO AUDITORS:</u>		
	a) Auditors	51,000.00	51,000.00
	b) For taxation matters	Nil	Nil
	c) For company law matters	Nil	Nil
	d) For management services	Nil	Nil
	e) For other services	Nil	Nil
	<u>MISCELLANEOUS EXPENSES:</u>		
	a) Consumables & stores	Nil	Nil
	b) Power & fuel	Nil	Nil
	c) Rent	2,40,000.00	6,48,000.00
	d) Repair to building	Nil	Nil





	e) Repair to machineries	NIL	37,248.00
	f) Insurance	36,715.00	66,324.00
	g) Rates & Taxes	Nil	Nil
	h) Other miscellaneous expenses	50,245.88	1,03,463.04
13.	VALUE OF IMPORT ON C.I.F BASIS:	NA	NA
	a) Raw material	Nil	Nil
	b) Components & spare parts	Nil	Nil
	c) Capital goods	Nil	Nil
14.	EXPENDITURE IN FOREIGN CURRENCY:	NA	NA
	a) Royalty	Nil	Nil
	b) Know-how	Nil	Nil
	c) Professional & consultancy fees	Nil	Nil
	d) Interest	Nil	Nil
	e) Other matters	Nil	Nil
15.	RAW MATERIAL CONSUMPTIONS & PERCENTAGE		
	i. IMPORTED		
	a) Raw material & %.	NA	NA
	b) Spare Parts & %.	NA	NA
	c) Components & %	NA	NA
	ii. INDIGENOUS		
	a) Raw material & %.	As per P&L	As per P&L
	b) Spare Parts & %.	As per P&L	As per P&L
	c) Components & %	As per P&L	As per P&L
16.	REMITTANCE IN FOREIGN CURRENCY TOWARDS DIVIDEND		
	a) Total Amount	Nil	Nil
	b) Total No. of non-resident share holders.	Nil	Nil
	c) Total no. of shares held by them	Nil	Nil
17.	EARNING IN FOREIGN EXCHANGES	NA	NA
	a) Export of goods calculated on FOB basis.	Nil	Nil
	b) Royalty, know-how, professional & consultancy fees.	Nil	Nil
	c) Interest & Dividend.	Nil	Nil
	d) Other income indicating nature thereof.	Nil	Nil

For Motwani Constructions Pvt. Ltd.
For M/s Motwani Constructions Pvt. Ltd.

Ranajit Motwani
DIRECTOR
Managing Director Director

BHUBANESWAR
DATE:-

For Motwani Constructions Pvt. Ltd.

Motwani
DIRECTOR



For KEJRIWAL & ASSOCIATES
CHARTERED ACCOUNTANTS

Ramesh K. Kejriwal
CA RAMESH K KEJRIWAL
FCA, ACMA, LLB, DISA (ICAI)
CHARTERED ACCOUNTANT



For Director, Government of Karnataka, Bangalore

DIRECTOR

For Director, Government of Karnataka, Bangalore

DIRECTOR

MOTWANI CONSTRUCTIONS PRIVATE LIMITED

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SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE BALANCE SHEET

A. Corporate Information

Motwani Constructions Pvt. Ltd. is a private limited company domiciled in India and Incorporated under the Companies Act 1956. The company is primarily engaged in the business of builders & real estate developers.

1) Basis of accounting and preparation of financial statements:

The Financial statement of the Company have been prepared in accordance with the Generally Accepted Accounting principles in India (Indian GAAP) to comply with the Accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies act 2013. The financial statement have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2) Use of estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income & expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the difference between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

3) Change in Accounting policies:

During the year ended the new schedule III notified under the Companies Act 2013, has become applicable to the Company, for preparation and presentation of its financial statements. The adoption of new schedule III does not impact recognition and measurement principles followed by the Company for preparation of financial statements. However it has significant impact on presentation and disclosures made in the financial statements. The Company has also classified the previous year figures in accordance with requirement applicable in current year.





4) Depreciation and amortization :

Depreciation is provided on written down value method in accordance with the provisions of sec 123(2) of the Company Act 2013 at the rate computed in accordance with the useful lives specified in Schedule-II of the Companies Act 2013. The estimates of the useful lives for the fixed assets are as follows.

<u>Fixed Assets</u>	<u>Useful Lives</u>
AC	15 years
Computer & Accesories	3 years
EPBX System	5 years
Furniture & fixtures	10 years
Electrical Appliances	15 years
Motor Cars	8 years
Cycle	10 years
DG Set & Stabilizer etc	10 years
Tools & Equipments	10 years
Printer Etc	15 years

5) Revenue Recognition:

Revenue is recognized as per the Accounting Standard -7 prescribed by the ICAI, and no significant uncertainty exists as to its realization or collection.

6) Tangible Fixed Assets:

Fixed assets are carried at cost less accumulated depreciation and impairment losses if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement/settlement of long term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed assets and whose use is expected to be irregular are capitalized and depreciated over the useful life of the principal item of the relevant asset. Subsequent expenditure relating to fixed assets are capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets acquired in full or part exchange for another asset are recorded at the fair market value of the net book value of the asset given up, adjusted for any balancing cash consideration. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident. Fixed assets acquired in exchange for securities of the Company are recorded at the fair market value of the assets or the fair market value of the securities issued, whichever is more clearly evident.

7) Employees Benefit:

All employees' benefits payable wholly within 12 months of rendering their services are classified benefits. Benefits such as salary, wages and bonus are recognized in the period in which employee renders the related services.





8) **Earnings per share:**

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity share are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potential dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

For M/s Motwani Constructions Pvt. Ltd.
For Motwani Constructions Pvt. Ltd.

Ranveer Motwani
DIRECTOR
Director

KEJRIWAL & ASSOCIATES
BHUBANESWAR
★ RK KEJRIWAL, FCA ★
ODISHA
CHARTERED ACCOUNTANTS
RAMESH K KEJRIWAL
CA, ACMA, LLB, DISA (ICAI)
CHARTERED ACCOUNTANT

BHUBANESWAR
DATE:-

For Motwani Constructions Pvt. Ltd.

Manoj Motwani
DIRECTOR