

MOUNT HOUSING AND INFRASTRUCTURE LIMITED

CIN L45201TZ1995PLC006511

122-1, SILVER ROCK APARTMENTS, VENKATASAMY ROAD WEST, R S PURAM, COIMBATORE- 641002

PH NO. 0422-4973111, Mobile NO. 98433-33111, Email: mount@mounthousing.com

Statement of Standalone Financial Results for the Quarter and year ended 31.03.2022

Rs. in Lakhs

	Particulars	3 months ended 31/03/2022 (Audited)	Preceding 3 months ended 31/12/2021 (Unaudited)	Corresponding 3 months ended in the previous year 31/03/2021 (Audited)	Year to date figure for current period ended 31/03/2022 (Audited)	Year to date figure for previous period ended 31/03/2021 (Audited)
I	Revenue from operations	152.00	-	103.26	152.00	103.26
II	Other Income	17.31	2.16	46.43	21.79	88.92
III	<b>Total Revenue (I+II)</b>	<b>169.31</b>	<b>2.16</b>	<b>149.69</b>	<b>173.79</b>	<b>192.18</b>
IV	Expenses	-	-	-	-	-
	Cost of materials consumed	-	-	-	-	-
	Purchases of Stock-in-Trade	-	-	-	-	-
	Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	-	-	-	-	-
	Employee benefit expense	3.90	3.53	32.16	14.48	19.56
	Finance costs	22.23	24.41	36.00	96.92	71.08
	Depreciation and amortization expense	1.06	1.06	1.35	4.24	5.39
	Other expenses	19.76	6.41	7.20	48.02	89.02
	<b>Total Expenses (IV)</b>	<b>46.95</b>	<b>35.40</b>	<b>76.71</b>	<b>163.66</b>	<b>185.05</b>
V	Profit/(Loss) before exceptional items and tax (III-IV)	122.37	-33.24	72.98	10.13	7.13
VI	Exceptional Items	-	-	-	-	-
VII	Profit/(Loss) before tax (V-VI)	122.37	-33.24	72.98	10.13	7.13
VIII	<b>Tax expense:</b>					
	(1) Current tax	1.35	-	1.69	1.35	1.69
	(2) Deferred tax	0.45	0.45	0.48	1.79	1.93
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)	120.57	-32.80	70.80	6.99	3.50
X	Profit/(Loss) from discontinued operations	-	-	-	-	-
XI	Tax expense of discontinued operations	-	-	-	-	-
XII	Profit/(Loss) from discontinued operations (After Tax) (X-XI)	-	-	-	-	-
XIII	<b>Profit/(Loss) for the period (IX+XII)</b>	<b>120.57</b>	<b>-32.80</b>	<b>70.80</b>	<b>6.99</b>	<b>3.50</b>
XIV	Other Comprehensive Income					
	A (i) Items that will not be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
	B (i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
XV	Total other comprehensive income for the period (XIII+XIV) comprising Profit/ (Loss) and other Comprehensive Income for the period	120.57	-32.80	70.80	6.99	3.50
XVI	Paid up equity share capital (Face Value of equity share capital)	302.87	302.87	302.87	302.87	302.87
XVII	Earnings per equity share (for continuing operations)					
	(1) Basic	3.98	-1.08	2.34	0.23	0.12
	(2) Diluted	3.98	-1.08	2.34	0.23	0.12
XVIII	Earnings per equity share (for discontinued operations)					
	(1) Basic	-	-	-	-	-
	(2) Diluted	-	-	-	-	-
XIX	Earnings per equity share (for continuing & discontinued operations)					
	(1) Basic	3.98	-1.08	2.34	0.23	0.12
	(2) Diluted	3.98	-1.08	2.34	0.23	0.12

For and on behalf of Board of Directors of Mount Housing And Infrastructure Limited

\*As per our report of even date\*

Ramesh Chand Bafna  
Managing Director  
DIN: 02483312



Place: Coimbatore  
Date: 24.05.2022



**MOUNT HOUSING AND INFRASTRUCTURE LIMITED**  
 122-I, SILVER ROCK APARTMENTS, VENKATASAMY ROAD WEST, R S PURAM, COIMBATORE- 641002  
 PH.No.0422-4533111, Fax No.0422-4533111, CIN-U45201TZ1995PLC006511, e-mail: mount@mounthousing.com  
**Balance Sheet as at 31st March 2022**

Rs. in Lakhs

Particulars	Note	March 31, 2022	March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	1	71.87	76.11
Capital work-in-progress	1		-
Other intangible assets	1		-
Financial Assets			-
(i) Investments			-
(ii) Trade receivables	2	19.58	19.58
(iii) Loans	3	128.39	127.39
Deferred tax assets (net)	4	2.97	4.76
Other non-current assets	5	-	-
<b>Current assets</b>			
Inventories	6	729.64	729.64
Financial Assets			-
(i) Investments			-
(ii) Trade receivables	2	593.79	560.21
(iii) Cash and cash equivalents	7	5.86	5.46
(iv) Bank balances other than (iii) above	7	41.87	10.22
(v) Loans	8	35.68	35.38
Current Tax Assets (Net)	9	9.00	8.67
Other current assets	10	63.03	60.60
<b>Total Assets</b>		<b>1,701.66</b>	<b>1,638.03</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	11	302.87	302.87
Other Equity	12	145.28	138.30
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			-
(i) Borrowings	13	767.96	779.34
(ii) Trade payables			-
Provisions	14	54.98	27.14
<b>Current liabilities</b>			
Financial Liabilities			-
(i) Borrowings	15	318.06	314.68
(ii) Trade payables	16	37.73	31.56
Other current liabilities	17	73.44	42.45
Provisions	18	-	-
Current Tax Liabilities (Net)	19	1.35	1.69
<b>Total Equity and Liabilities</b>		<b>1,701.66</b>	<b>1,638.03</b>

For and on behalf of Board of Directors of Mount Housing And Infrastructure Limited

"As per our report of even date"

*Ramesh Chand Bafna*

Ramesh Chand Bafna  
 Managing Director  
 DIN: 02483312



Place: Coimbatore  
 Date: 24.05.2022



MOUNT HOUSING AND INFRASTRUCTURE LIMITED				
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022				
PARTICULARS	31.03.2022		31.03.2021	
<b>A. Cash Flow from operating activities :</b>				
Net Profit Before tax		10.13		6.77
<b>Adjustments in P&amp;L</b>				
Depreciation	4.24		5.39	
Interest Payments	96.92		71.08	
Interest Received	-4.31		-2.92	
Other Non operating Income				
<b>Operating Profit before working capital changes</b>	<b>96.85</b>		<b>73.55</b>	
(Increase)/Decrease in Inventory	0.00		-5.98	
(Increase)/Decrease in Debtors	-33.57		-21.95	
(Increase)/Decrease in Loans & Advances	-0.30		-68.82	
Increase/(Decrease) in Current Assets	-2.76		-70.90	
Increase/(Decrease) in Current Liability	66.68		-95.67	
	<b>126.90</b>		<b>-189.78</b>	
<b>Cash generated from operations</b>		<b>137.03</b>		<b>-183.00</b>
Adj: Income Tax				
<b>Net Cash Flow from operating activities</b>		<b>137.03</b>		<b>-183.00</b>
<b>B. Cash Flow from Investing activities :</b>				
Purchase of fixed assets	0.00		0.00	
Investments				
Interest Income & Other non operating Income	4.31		2.92	
<b>Net cash used for investing activities</b>		<b>4.31</b>		<b>2.92</b>
<b>C. Cash Flow from financing activities :</b>				
Long term borrowings - Secured	-11.38		101.02	
Increase/(Decrease) in Long term loan and Advances	-1.00		48.30	
Interest Paid	-96.92		-71.08	
<b>Net cash flow from financing activities</b>		<b>-109.30</b>		<b>78.25</b>
<b>Net Increase / (Decrease) in cash and cash equivalent</b>		<b>32.04</b>		<b>-101.83</b>
<b>Cash And Cash Equivalents As At Year Beginning</b>		<b>15.68</b>		<b>117.52</b>
<b>Cash And Cash Equivalents As At Year Ending</b>		<b>47.72</b>		<b>15.68</b>

FOR MOUNT HOUSING & INFRASTRUCTURE LTD

*Ramesh Chand Bafna*

RAMESH CHAND BAFNA  
MANAGING DIRECTOR  
(DIN: 02483312)



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022:**

**1. Corporate Information:**

Mount Housing Infrastructure Limited (the company or “MHIL”), a public limited company is incorporated under provisions of the Companies Act applicable in India. The Company is engaged primarily in the business of real estate development. The operation of the company span all aspects of real estate development, from the identification and acquisition of land, to planning, execution, construction and marketing of projects.

The Company is headquartered in Coimbatore, India. The shares of the Company are listed on the BSE Limited. Its registered office is situated at 122 I, Silver Rock Apartment, 2nd Floor, Venkatasamy Road West, R S Puram, Coimbatore – 641002.

The financial statements for the year ended March 31, 2021 were authorised and approved for issue by the Board of Directors on **29<sup>th</sup> June, 2022**.

**2. Statement of compliance:**

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as “Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2017. The financial statements for the year ended 31 March 2022 have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**SIGNIFICANT ACCOUNTING POLICIES:**

**3. Basis of Preparation:**

The financial statements have been prepared on a historical cost basis on an accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India to comply with





the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and relevant provisions of the Companies Act, 2013 ("the 2013 Act").

The financial statements for the year ended March 31, 2022 are presented in Rs and all values are rounded to the nearest Rs. except when otherwise indicated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Company's normal operating cycle in respect of operations relating to the construction of real estate projects may vary from project to project depending upon the size of the project, type of development, project complexities and related approvals. Operating cycle for all completed projects is based on 12 months period. Assets and liabilities have been classified into current and non-current based on their respective operating cycle.

#### 4. **Property, Plant & Equipment:**

Property, plant and equipment (PPE) are stated at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable / allocable cost of bringing the asset to its working condition for its intended use. The cost also includes direct cost and other related incidental expenses.

All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred. Depreciation has been provided based on the useful life prescribed in Schedule II of the Companies Act, 2013 in the manner stated therein. Depreciation on assets added, sold or discarded during the year is provided on pro rata basis.

#### 5. **Capital Work in Progress:**

Capital work in progress is stated at cost less impairment losses, if any. Cost comprises of expenditures incurred in respect of capital projects under development and includes any attributable / allocable cost and other incidental expenses.



## 6. Revenue and Expenditure Recognition:

### A. Basis of Accounting:

The Company generally follows the mercantile system of accounting and revenue is recognized and expenditure is accounted for on their accrual. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

### B. Revenue Recognition:

The Company has adopted Ind AS 115 using the cumulative effect method with the effect of initially applying this standard recognized at the date of initial application (i.e. 1 April 2018). Revenue is recognised to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Ind AS 115 Revenue from contracts with customers has been notified by the Ministry of Corporate Affairs (MCA) on 28 March 2018 and is effective from accounting period beginning on or after 1<sup>st</sup> April 2018, replacing the existing revenue recognition standard. Since all the projects of the company are entirely completed during the year 2018-19, no significant impact is caused to the financials results due to replacement of the existing revenue recognition standard.

Revenue from project development activity which are in substance similar to delivery of goods is recognised upon transfer of significant risk and rewards of ownership of the goods to the customer which generally coincides with delivery and acceptance of the goods sold. The Company adopts percentage completion method of revenue recognition. The method adopted for determining work performed is based on completion of physical proportion of the contract work. But now the contract is fully completed.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks and on hand.



## 7. Taxation:

### Current tax:

Current income tax is measured at the amount expected to be paid to the taxation authorities using the tax rates and tax laws that are in force at the reporting date.

Current income tax relating to items recognized outside the Statement of Profit and Loss are recognized outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets current tax assets and current tax liabilities where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the assets and settle the liability simultaneously.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred tax– OCI

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.





Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss. Such deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Tax expenses are recognised in the statement of profit and loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is nil.

**Break-up of Net deferred tax liability as on 31<sup>st</sup> March' 2022:**

DEFERRED LIABILITIES/ (ASSETS)	TAX	31 <sup>st</sup> MARCH 2021 AMOUNT RS
Up to 31 <sup>st</sup> March 2021		(4,75,799.07)
Deferred Tax for 2021-2022 P&L		1,79,165.55
<b>Net Deferred Tax Assets</b>		<b>(2,96,633.52 )</b>

**8. Investments:**

The Company has no Investments as at 31<sup>st</sup> March 2022.

**9. Inventories:**

**Construction work in progress:**

The construction work in progress is valued at lower of cost or net realisable value. Cost includes cost of land, development rights, rates and taxes, construction costs, borrowing costs, other direct expenditure, allocated overheads and other incidental expenses.





## 10. Provision and Contingent Liability:

(i) A provision is recognised when:

- The Company has a present obligation (legal or constructive) as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

(ii) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably may not, require an outflow of resources. A contingent liability also arises in extreme cases where there is a probable liability that cannot be recognised because it cannot be measured reliably.

(iii) Where there is a possible obligation or a present obligation such that the likelihood of outflow of resources is remote, no provision or disclosure is made.

## 11. Fair Value Measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

## 12. Cash and Cash equivalents:

Cash and cash equivalents in the cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

## 13. Earnings per share:

Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to



equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

#### 14. Others Notes:

Balance due to / due from the parties are subject to confirmation. Previous year figures have been regrouped or rearranged wherever necessary.

Particulars	31.03.2022	31.03.2021
1) Audit Fees	3,00,000	2,31,750

- 2) Previous year's figures have been, regrouped / reclassified wherever necessary in accordance with Schedule III of The Companies Act, 2013.
- 3) The provision of taxation is worked out at current rates at profits before tax.
- 4) In the opinion of the board there is no contingent liability for the company.
- 5) In the opinion of the board work in progress, loans and advances are approximately of the value stated, if realized in the ordinary course of Business.
- 6) No provision has been made for gratuity liability.
- 7) The nature of business carried on by the company viz., Construction activity is such that furnishing quantitative details relating to consumption/stock of building material is not feasible.

#### Related Party Disclosures: (As identified by the management and relied upon by Auditors)

- i) Enterprises/ Individuals having direct or indirect control over the concern: N/A
- ii) Key Management Personnel
  - Mr. Ramesh Chand Bafna - Managing Director
  - Mr. Kalpesh Bafna - Whole Time Director
- iii) Relatives of Key Management Personnel:
  - Mrs. Lalitha Bafna (Wife of Ramesh Chand Bafna & Mother of Mr. Kalpesh Bafna),



- Mr. Jitesh Bafna (Son of Mr. Ramesh Chand Bafna & Brother of Mr. Kalpesh Bafna)
- Mrs. Poonam Bafna (Daughter in Law of Mr. Ramesh Chand Bafna & Wife of Mr. Kalpesh Bafna)

iv) Director:

Mr. Jitendra Kumar Jain - Independent Director  
Mrs. Alka Kankani - Independent Director

Transactions with related parties	Key Management Personnel	2021-22	
		Director's Relatives	Total
Finance Taken - Loans	-	-	-
Loans Repaid by the company	88,13,182.16	-	88,13,182.16
Remuneration	18,00,000	9,60,000	27,60,000
Services Received - Rent Payable	2,70,000	-	2,70,000
<b>Balances with Related Parties</b>			
Amount Payable (in respect of loans)	1,38,63,252.12	-	1,38,63,252.12

For and on behalf of Board of Directors of  
Mount Housing and Infrastructure Limited

*Ramesh Chand Bafna*

Ramesh Chand Bafna

Managing Director

DIN:02483312

Kalpesh Bafna

Whole-time Director

DIN:01490521

"As per our Report of even date"

Place: Coimbatore

Date: 24.05.2022





## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF M/S MOUNT HOUSING AND INFRASTRUCTURE  
LIMITED

Report on the audit of the standalone financial statements

### Opinion

We have audited the standalone financial statements of **MOUNT HOUSING AND INFRASTRUCTURE LIMITED** ("the Company"), which comprise the standalone balance sheet as at March 31, 2022, the standalone Statement of Profit and Loss (including other comprehensive income), the standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as the "Standalone Financial Statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the **Companies Act, 2013** ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, loss and total comprehensive income, and its cash flows for the year ended and statement of changes in equity on that date.

### Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SA's) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those SA's are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### **Information other than the Standalone Financial Statements and Auditors' Report thereon**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the standalone financial statements and our report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

### **Responsibilities of the Management and those charged with governance for the Standalone 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 standalone 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 the rule 3 of the companies (Indian Accounting Standards) Rules, 2015 and companies (Indian Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The board of directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks,

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and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are





therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **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 Companies Act, 2013 we give in the "Annexure A", 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 it appears from our examination of those books;
- (c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flow dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian 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 March 31, 2022 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".





(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;

a. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

b. The Company does not have long-term contracts including derivative contracts for which there were any material foreseeable losses and

c. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

3. With respect to the matters to be included in the Auditor's Report under section 197(16) of the act amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

Place : Coimbatore

Date : 25.05.2022

UDIN: 22228896AJPHRE7900



**Annexure - A to the Independent Auditors' Report**

The Annexure referred to in Independent Auditor's report to the Members of M/S MOUNT HOUSING AND INFRASTRUCTURE LIMITED for the year ended 31<sup>st</sup> March 2022. We report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) As explained to us, the fixed assets are physically verified by the Management during the year which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies as compared to the book records were noticed on such verification.  
(c) According to the information and explanations given to us, and on the basis of our examination of the records of the company, the title deeds are held in the name of the Company.
2. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable, the discrepancies noticed on rectification between the physical stock and the book stocks were not material and have been properly dealt within the books of accounts.
3. According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provision of clause (iii) (a), (b) and (c) of paragraph 3 of the order are not applicable.
4. In our opinion and according to information and explanation given to us, the Company has complied with the provisions of sections 185 and section 186 of the Act, in respect of loans, investments, guarantees and security, as applicable.

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Krishnaswamy Nagar, Ramanathapuram,  
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**K.R. DIVYA**  
**CHARTERED ACCOUNTANTS**

5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public. Therefore, the provisions of clause (v) of the para 3 of the order are not applicable to the company.
6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub section (1) of section 148 of the Act, in respect of the activities carried on by the company.
7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, and other material statutory dues, as applicable, with the appropriate authorities.
- According to the information and explanations given to us and the records of the Company examined by us, in our opinion, there are no disputed amounts of statutory dues including income tax, wealth tax, excise duty, service tax and cess payable at the end of the financial year concerned for a period more than six month from the date they become payable.
8. In our opinion and according to the information and explanations given to us, the company has not defaulted in the repayment of loans and borrowings to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable.
9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and the term loans were applied for the purpose for which those were raised. Accordingly, paragraph 3 (ix) of the order is not applicable.

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10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
11. In our opinion and according to the information and explanation given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the Standalone financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our 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. Accordingly, paragraph 3(xiv) of the order is not applicable.
15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. 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.

Place : Coimbatore

Date : 25.05.2022

UDIN: 22228896AJPHRE7900



**Annexure - B to the Independent Auditors' Report**

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

We have audited the internal financial controls over financial reporting of M/S MOUNT HOUSING AND INFRASTRUCTURE LIMITED ("the Company") as of 31st March 2022 in conjunction with our audit of the standalone 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 the adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by the Institute of Chartered Accountants of India and deemed to be prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of the Internal Financial Control and, both issued by the Institute of Chartered Accountants of India. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about

whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) 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 of override of controls, material



misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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.

Place : Coimbatore

Date : 25.05.2022

UDIN: 22228896AJPHRE7900

**CA. DIVYA K.R.**  
**Chartered Accountant**  
  
**Member Ship No: 228896**