



Ref.: MPL/CS/HYD/0020/2020-21

Date: 30-07-2020

To

The Bombay Stock Exchange (BSE) Corporate Relationship Dept., 1st Floor, New Trading Ring Rotunda Building, PJ Towers Dalal Street, Fort, Mumbai -400 001	The National Stock Exchange (NSE) of India Limited, 5th Floor, Exchange Plaza, Bandra (East), Mumbai- 400 051.
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Dear Sirs,

**Kind Attn: Listing Department / Corporate Relationship Department**

**Sub.: Submission of Audited Standalone Financial Results for the Quarter and year ended 31<sup>st</sup> March, 2020-Reg.**

**Ref.: 1. BSE Scrip Code: 531497, NSE Scrip Code: MADHUCON  
2. Regulation 33 & 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

In furtherance to the Board meeting Notice dated 23<sup>rd</sup> July, 2020, we wish to inform you that at the meeting of Board of Directors of M/s Madhucon Projects Ltd., held today i.e., on 30<sup>th</sup> July, 2020, the Board considered and approved the Audited Standalone Financial Results for the Quarter and year ended 31<sup>st</sup> March, 2020. The said Audited Financial Results were reviewed by the Audit Committee and thereafter approved by the Board.

Pursuant to Regulation 33 of the of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, statement showing the Audited Standalone Financial Results for the Quarter and year ended 31<sup>st</sup> March, 2020 along with the Auditors' Report of the Statutory Auditors are enclosed herewith.

Pursuant to Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the board declares that the above Auditors' Report is with unmodified opinion with respect to the Audited Standalone Financial Results for the Quarter and year ended 31<sup>st</sup> March, 2020.

**The Meeting of the Board of Directors of the Company commenced at 04:00 P.M. and concluded at 09:00 P.M.**

We would request you to please take on record the above and host the same on your website for viewing to the public.

Thanking you,

**For Madhucon Projects Limited**

*Rajani K*  
(K Rajani)  
Company Secretary  
eCSIN: EF008026A000013823



**Encl: As above.**

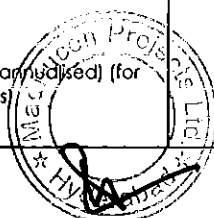
**MADHUCON PROJECTS LIMITED**

CIN-L74210TG1990PLC011114

Regd. Office:1-7-70, Jubilpura, Khammam - 507003, Telangana

**STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020**

		(Rs. In Lakhs)				
Sl. No	Particulars	Standalone				
		Quarter ended			Year ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited	Unaudited	Audited	Audited	Audited
I	Revenue from Operations	24,356.11	14,541.72	18,963.66	54,682.00	66,944.33
II	Other income	637.39	49.58	189.77	787.07	1,540.56
III	<b>Total Income (I+II)</b>	<b>24,993.50</b>	<b>14,591.30</b>	<b>19,153.43</b>	<b>55,469.07</b>	<b>68,484.89</b>
IV	<b>Expenses:</b>					
	(a) Cost of Materials Consumed	22,810.10	13,684.59	18,538.60	51,044.53	58,666.41
	(b) Changes in Inventory of Finished goods, Work-in-Progress and stock-in-trade	-	-	-	-	-
	(c) Employee benefits expense	507.99	538.94	758.90	2,196.08	3,000.88
	(d) Other expenses	1,176.14	538.52	2,319.46	2,536.45	4,395.45
	(e) Financial Costs	627.24	257.60	(4,193.16)	1,343.22	2,252.53
	(f) Depreciation and amortisation expense	211.53	211.03	200.92	836.52	771.31
	<b>Total Expenses</b>	<b>25,332.99</b>	<b>15,230.68</b>	<b>17,624.72</b>	<b>57,956.80</b>	<b>69,086.58</b>
V	<b>Profit/(Loss) Before Exceptional Items and tax (III-IV)</b>	<b>(339.49)</b>	<b>(639.38)</b>	<b>1,528.71</b>	<b>(2,487.73)</b>	<b>(601.69)</b>
VI	Exceptional Items	22,727.00	-	-	22,727.00	-
VII	<b>Profit/(Loss) Before Tax (3-4)</b>	<b>(23,066.49)</b>	<b>(639.38)</b>	<b>1,528.71</b>	<b>(25,214.73)</b>	<b>(601.69)</b>
VIII	<b>Tax Expense</b>					
	a) Current Tax	-	-	-	-	-
	b) Adjustments relating to earlier years	-	-	-	-	-
	c) Deferred Tax	(6,674.22)	1,906.74	(1,660.72)	(3,656.98)	(2,462.40)
	<b>Total Tax (a+b)</b>	<b>(6,674.22)</b>	<b>1,906.74</b>	<b>(1,660.72)</b>	<b>(3,656.98)</b>	<b>(2,462.40)</b>
IX	<b>Profit/(Loss) from Continuing operations (VII-VIII)</b>	<b>(16,392.27)</b>	<b>(2,546.12)</b>	<b>3,189.43</b>	<b>(21,557.75)</b>	<b>1,860.71</b>
X	Profit/(Loss) from discontinued operations	-	-	-	-	-
XI	Tax Expense of discontinued operations	-	-	-	-	-
XII	<b>Profit/(Loss) from discontinued operations after tax (X-XI)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
XIII	<b>Profit/Loss for the period (IX+XII)</b>	<b>(16,392.27)</b>	<b>(2,546.12)</b>	<b>3,189.43</b>	<b>(21,557.75)</b>	<b>1,860.71</b>
	<b>Attributable to:</b>					
	- Share Holders of the Parent Company	-	-	-	-	-
	- Non Controlling Interest	-	-	-	-	-
XIV	<b>Other Comprehensive Income (net of tax)</b>					
	A) Items that will not be reclassified to profit or loss	-	-	-	-	-
	(i) Re-measurement gains/(losses) on defined benefit plans	71.00	-	34.45	71.00	34.45
	Share of Other Comprehensive income transferred to Non Controlling interest	-	-	-	-	-
	(ii) Income tax relating to these items	-	-	-	-	-
	B) (i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to these items	-	-	-	-	-
	Share of Profit/(Loss) transferred to Non Controlling Interest	-	-	-	-	-
	<b>Total Other Comprehensive Income, net of tax</b>	<b>71.00</b>	<b>-</b>	<b>34.45</b>	<b>71.00</b>	<b>34.45</b>
	<b>Attributable to:</b>					
	- Share Holders of the Parent Company	-	-	-	-	-
	- Non Controlling Interest	-	-	-	-	-
XV	<b>Total Comprehensive Income (XIII+XIV)</b>	<b>(16,321.27)</b>	<b>(2,546.12)</b>	<b>3,223.88</b>	<b>(21,486.75)</b>	<b>1,895.16</b>
	<b>Attributable to:</b>					
	- Share Holders of the Parent Company	-	-	-	-	-
	- Non Controlling Interest	-	-	-	-	-
XVI	Paid-up Equity Share Capital (Face value of Rs.1/- per share)	737.95	737.95	737.95	737.95	737.95
XVII	Total Reserves i.e Other equity	-	-	-	-	-
XVIII	Earning per share (of Rs.1/- each) (not audited) (for discontinued and continuing operations)					
	- Basic and Diluted	(22.21)	(3.45)	4.32	(29.21)	2.52



**Notes:**

- 1 The above results have been reviewed by the Audit Committee at its meeting held on July 30, 2020 and approved by the Board of Directors of the Company at its meeting held on July 30, 2020. The Statutory Auditors have submitted Audit Report on the audited financial results for the Quarter and Year ended March 31, 2020.
- 2 The Company's operations primarily consists of construction-project activities and there are no other reportable segments under Ind AS 108 "Operating Segments".
- 3 The new accounting standard Ind AS 115 (Revenue from Contracts with Customers) is effective from April 1, 2018. Accordingly, the
- 4 **COVID-19 related impact on the performance/ operations of the Company:**
  - a. **Impact of the CoVID-19 pandemic on the business:**

The COVID 19 outbreak has significantly impacted the Infrastructure Industry. Due to halt in construction works and Labour Crunch we also affected in last quarter of Financial Year 2019-20 and it is continuing till the end of the Financial Year 2020-21. In the wake of COVID 19 pandemic the focus of State and Central Governments has shifted to the welfare of citizens and hence the Infrastructure activity has taken back seat. We believe that recovery in F.Y 2020-21 will be slow, even though the lock down is lifted, it would take longer time for the sector to return to optimal capacity due to migration of Labour. In spite of all these odds the company is actively working to mitigate the risk. We already restarted our operations and look for the support of our stake holders and Lenders to meet the challenge of the post COVID 19 working environment.
  - b. **Ability to maintain operations including the factories/units /office spaces functioning:**

Operations of the Company have stopped from 23rd March, 2020 in pursuance of the guidelines of Govt of India and Govt of Telangana Issued against the spread of CoVID-19.
  - c. **Schedule, if any, for restarting the operations:**

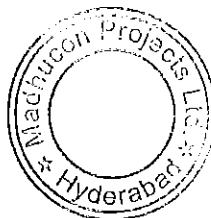
Operations were started with 33% staff from 06.05.2020 .MPL Subsidiary company offices are severely affected due to lockdown and office staff have not yet reported at their offices till date due to fear of increasing cases day by day after lifting of lock down. MPL Subsidiary companies are unlisted and they have the time for closure of their accounts as per the Companies Act, 2013. Hence the Audited financial statements from Subsidiary Companies are not yet been received to close the Consolidated financials for the Financial year 2019-20.
  - d. **Steps taken to ensure smooth functioning of operations:**

Our company is following all the guidelines issued by WHO and ICMR in the day to day operations. The COVID-19 protocol also contains detailed steps for infection control and safety at our premises and several checklists to monitor adherence have been put in place.
  - e. **Estimation of the future impact of CoVID-19 on operations and Details of impact of CoVID-19 on listed entity's capital and financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, assets, Internal financial reporting and control, supply chain, demand for its products/services:**

We are in the process to evaluate the impact of CoVID-19 Pandemic on the business, performance and financials of 30.06.2020 and separate communication in this regard will be communicated along with un-audited Financial Results for the quarter 30.06.2020.
  - f. **Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business**

All existing contracts are being honored by our clients. But the work progress is slow due to non-availability / migration of labour, but would help in addressing the cash flow timing issues.

Place: Hyderabad  
Date : 30-07-2020



By order of the Board  
for Madhucon Projects Limited

(S. Sridhar)  
Managing Director  
DIN: 00784491

**Madhucon Projects Limited**  
Balance Sheet as at March 31, 2020

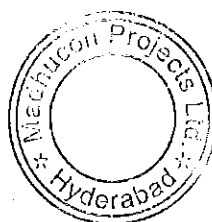
(₹ in Lakhs)

	Note No.	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2.1	4,189.71	4,909.46
<b>Financial Assets</b>			
Investments	2.2	171,565.38	171,565.38
Trade Receivables	2.3	16,428.66	484.36
Loans	2.4	17,103.66	5,133.46
Others Financial Assets	2.5	15,429.17	11,750.39
Deferred tax Asset (Net)	2.6	8,421.19	4,764.21
Other Non-Current Assets	2.7	22,990.10	19,734.59
<b>Total Non-Current Assets</b>		<b>256,127.87</b>	<b>218,341.84</b>
<b>Current Assets</b>			
Inventories	2.8	2,785.09	4,281.51
<b>Financial Assets</b>			
Trade Receivables	2.9	2,558.69	25,780.64
Cash and Cash equivalents	2.10	643.15	1,065.81
Bank Balances other than above	2.11	577.65	239.78
Loans	2.12	140.91	7,196.48
Others Financial Assets	2.13	5,004.47	7,127.25
Current Tax Asset (Net)		4,837.10	14,070.65
Other Current Assets	2.14	11,470.00	18,550.60
<b>Total Current Assets</b>		<b>28,017.06</b>	<b>78,312.72</b>
<b>Total Assets</b>		<b>284,144.93</b>	<b>296,654.57</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	2.15	740.32	740.32
Other Equity	2.16	59,235.29	80,722.03
<b>Total Equity</b>		<b>59,975.61</b>	<b>81,462.36</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	2.17	1,590.20	2,791.42
Trade Payables	2.18	11,628.04	8,167.38
Other Financial Liabilities	2.19	6,535.45	6,457.71
Provisions	2.20	139.90	173.83
Deferred Tax Liabilities (Net)	2.6	-	-
Other Non-Current Liabilities	2.21	4,798.76	9,714.99
<b>Total Non-Current Liabilities</b>		<b>24,692.34</b>	<b>27,305.33</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	2.22	68,950.31	65,672.57
Trade Payables	2.23	46,722.81	48,895.96
Other Financial Liabilities	2.24	13,438.73	13,228.17
Other Current Liabilities	2.25	41,893.87	41,614.59
Provisions	2.26	24,031.30	4,762.92
Current Tax Liabilities (Net)		4,439.96	13,712.67
<b>Total Current Liabilities</b>		<b>199,476.98</b>	<b>187,886.88</b>
<b>Total Equity and Liabilities</b>		<b>284,144.93</b>	<b>296,654.57</b>

For and on behalf of the Board

  
N. Seethalah  
Managing Director  
DIN-00784491

Place : Hyderabad  
Date : July 30, 2020

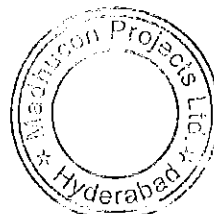


**MADHUCON PROJECTS LIMITED**  
**Standalone Cash Flow Statement for the Year ended March 31, 2020**

( in Lakhs)

	Particulars	Year ended 31 March 2020	Year ended 31 March 2019
<b>A</b>	<b>Cash flow from operating activities</b>		
	Profit/(loss) before income tax	(2,487.73)	(601.68)
	<b>Adjustments for:</b>		
	Exceptional Item	(22,727.00)	-
	Depreciation and amortisation expense	836.52	771.31
	Dividend and interest income classified as investing cash flows	(20.70)	(77.15)
	Finance costs	1,343.22	2,252.53
	<b>Change in operating assets and liabilities</b>		
	(Increase)/decrease in trade receivables	7,277.65	(6,121.48)
	(Increase) decrease in inventories	1,496.42	211.91
	(Increase)/decrease in other financial assets	(1,556.00)	4,652.10
	(Increase)/decrease in other current and non-current assets	13,058.63	(8,506.77)
	(Increase) decrease in other bank balances	(337.87)	18.35
	Increase/(decrease) in Loans	(4,914.63)	(8.38)
	Increase/(decrease) in trade payables	1,287.50	8,785.39
	Increase/(decrease) in other financial liabilities	19,522.76	557.40
	Increase/(decrease) in other current and non-current liabilities	(13,838.66)	(11,586.24)
	Increase/(decrease) in Non current Investments	-	5,616.00
	<b>Cash generated from operations</b>	<b>(1,059.88)</b>	<b>(4,036.74)</b>
	<b>Income taxes paid</b>	-	-
	<b>Net cash inflow from operating activities</b>	<b>(1,059.88)</b>	<b>(4,036.74)</b>
<b>B</b>	<b>Cash flows from investing activities</b>		
	Payments for property, plant and equipment	(116.78)	(533.03)
	Interest received	20.70	77.15
	<b>Net cash outflow from investing activities</b>	<b>(96.08)</b>	<b>(455.87)</b>
<b>C</b>	<b>Cash flows from financing activities</b>		
	Proceeds/(Repayment) of long term borrowings	(1,201.22)	(1,767.19)
	Proceeds from short term borrowings (net)	3,277.74	7,778.83
	Interest paid	(1,343.22)	(2,252.53)
	<b>Net cash outflow from financing activities</b>	<b>733.30</b>	<b>3,759.11</b>
	<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(422.66)</b>	<b>(733.51)</b>
	Cash and cash equivalents at the beginning of the financial year	1,065.81	1,799.32
	<b>Cash and cash equivalents at end of the year</b>	<b>643.15</b>	<b>1,065.81</b>
	<b>Reconciliation of cash and cash equivalents as per the cash flow statement</b>		
		<b>31 March, 2020</b>	<b>31 March, 2019</b>
	Cash and cash equivalents as per above comprise of the following:		
	Cash and cash equivalents	<b>643.15</b>	<b>1,065.81</b>
	Balances per statement of cash flows	<b>643.15</b>	<b>1,065.81</b>

For and on behalf of the Board of Directors



  
**N. Seethalah**  
 Managing Director  
 DIN-00784491

Place: Hyderabad  
 Date: 30.07.2020



**P. MURALI & CO.,**

CHARTERED ACCOUNTANTS  
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**Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
The Board of Directors  
M/S. MADHUCON PROJECTS LIMITED

**Report on the audit of the Standalone Financial Results**

**Qualified Opinion:**

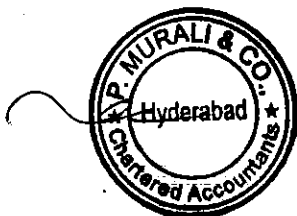
We have audited the accompanying standalone quarterly financial results of M/S. MADHUCON PROJECTS LIMITED( "the Company") for the quarter ended 31st March, 2020 and the year to date results for the period from 01-04-2019 TO 31-03-2020, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. except for the effects of the matter described in the Basis for Qualified Opinion section of our report give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the Net Loss and other comprehensive income and other financial information for the quarter ended 31<sup>st</sup> March, 2020 as well as the year to date results for the period from 01-04-2019 to 31-03-2020.

**Basis for Qualified Opinion:**

1. i) We refer to Note No. 01 to the Financial Results," the Company" has made a provision for impairment of investments of Rs. 22727 lakhs held in Simhapuri Energy Limited (SEL) a stepdown subsidiary in case of which "The Hon'ble National Company Law Tribunal "(NCLT) by an order dated 26-06-2020 admitted the Corporate insolvency resolution process (CIRP)
- ii) Trade receivables of Rs. 8598.04 Lakhs is due from "SEL" for which no Provision for Expected Credit Losses is made.



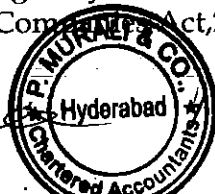


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Website : www.pmurali.com

2. We refer to Note No.2, to the financial results, relating to carrying value of investments held in and unsecured loans and advances given by the company to its subsidiaries listed in that note, which have been incurring losses and in case of some of these companies, net worth was fully or substantially eroded. In the absence of fair valuation of these investments, we are unable to comment upon the carrying value of investments and we are unable to comment whether any provision for impairment in the value of advances is required.
3. We refer to Note No. 3, to the financial results, relating to the " Madhucon Mega Mall Private Limited (MMMPL) a subsidiary of the company incorporated for developing shopping mall cum multiplex on leased land taken from Andhra Pradesh housing Board ( Now known as Telangana housing Board) ("The Board") at Kukatpally in Hyderabad. The company is awaiting for government approval to start the project and carrying values of Investments in and Loans Sanctioned to MMMPL amounting to Rs.3500 lakhs and Rs.135.21 Lakhs respectively are shown as realizable at the Values Stated in the Books of Accounts.
4. We refer to Note No. 4 to the Financial Results which indicate that the outstanding Loans and advances of Rs 4191.1 Lakhs and Rs 512.49 Lakhs granted to "Nama Investments Limited" and "NNR Infra Investments Private Limited" respectively, in which the Company's Directors have Interest. These Companies have been incurring Losses and accumulated losses exceeded the Net Worth. The management is yet to assess the risk of default and resultant expected credit loss allowance on such loans and advances.
5. The company is yet to transfer unpaid dividend of Financial Year 2008-09 amounting to Rs. 2,16,049 and Financial Year 2009-10 Rs. 2,45,028/- from unpaid dividend account to Investor Education and Protection Fund (IEPF).
6. We refer to Note No. 5 to the Financial Results, "the Company" has defaulted in repayment of dues to Banks and financial institutions amounting to Rs. 68,950.31 Lakhs and Rs.5339.92 Lakhs respectively as per books of account. All the loans outstanding were classified as NPA by the Banks and Financial Institutions. Interest on these loans have not been provided for the financial years 2018-19 & 2019-20 in view of "the company" approaching for one-time settlement (OTS).
7. We refer to Note No. 6 to the Financial Results, in the absence of confirmations of Trade Payables and various advances/borrowings, we are unable to comment on the extent to which such balances are payable/recoverable.
8. The Company delayed in payment of undisputed statutory dues towards TDS, Provident Fund, Professional Tax and Goods and Service Tax for the year ended 31<sup>st</sup> March, 2020.
9. In view of losses incurred by "the company" and in the absence of prior approval from the lender banks and financial Institutions, managerial remuneration paid by the company during the year is in excess of the limits specified under section 197 read with schedule V of Companies Act, 2013.





## **P. MURALI & CO.,**

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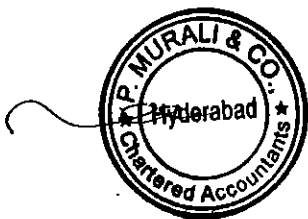
We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We 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 financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Management's Responsibilities for the Standalone Financial Results**

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are 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 Board of Directors 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.







## **P. MURALI & CO.,**

CHARTERED ACCOUNTANTS  
6-3-655/2/3, SOMAJIGUDA,  
HYDERABAD - 500 082. INDIA

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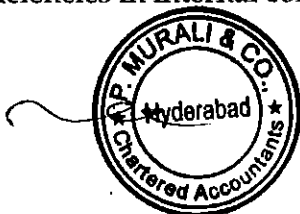
### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 results.

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 results, whether due to fraud or error, design and perform audit procedures responsive to those risks, 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 financial results 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 results, including the disclosures, and whether the financial results 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.





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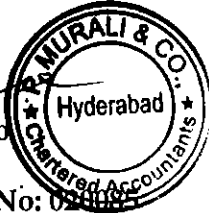
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info@pmurali.com

Website : www.p murali.com

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.

For P. Murali & Co,  
Chartered Accountants,  
Firm's Registration No: 007257S



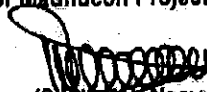
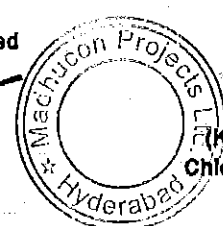

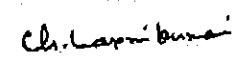
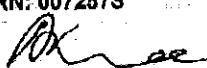
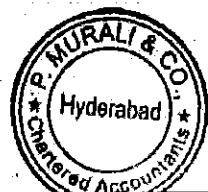
A Krishna Rao  
Partner  
Membership No: 020085  
UDIN: 20020085AAAID7126

Place: Hyderabad  
Date: 30-07-2020

**ANNEXURE I**

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along - with Annual Audited Financial Results - Standalone

Rs. In Lakhs

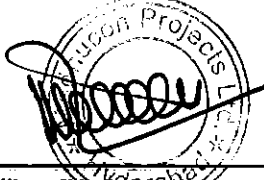
Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020 (Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016)				
I	S.No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	55469.07	Not Ascertainable
	2	Total Expenditure	57956.80	Not Ascertainable
	3	Net Profit/(Loss)	(21,557.75)	Not Ascertainable
	4	Earnings Per Share	(29.21)	Not Ascertainable
	5	Total Assets	284144.93	Not Ascertainable
	6	Total Liabilities	224169.32	Not Ascertainable
	7	Net Worth	59875.61	Not Ascertainable
	8	Any other financial item(s) (as felt appropriate by the management)		
II	Audit Qualification (each audit qualification separately)			
	a	Details of Audit Qualification: Separate sheet of replies enclosed		
	b	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion —		
	c	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing —		
	d	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:		
	e	For Audit Qualification(s) where the impact is not quantified by the auditor:		
	i	Management's estimation on the impact of audit qualification: Not Ascertainable		
	ii	If management is unable to estimate the impact, reasons for the same: Not Ascertainable		
	iii	Auditors' Comments on (i) or (ii) above: Not Ascertainable		
III	Signatories:			
	For Madhucon Projects Limited			
				
	(S. Venkatesh Nama) Managing Director DIN: 00784491		(K. Venkateswari) Chief Financial Officer	(Ch. Lakshmi Kumari) Chairman of Audit Committee DIN: 06942473
	For P. Murali & Co., Chartered Accountants FRN: 0072573			
				
	(A. Krishna Rao) Partner M.No. 020085			



### Replies to Audit Qualification:

The company has reported the Audited standalone financial results as per Indian Accounting Standard (Ind AS) read with SEBI circular dated 05.07.2015. These financials were reviewed by the Audit committee in the meeting held on 30.07.2020 and approved by the board of directors of the company at the meeting held on 30.07.2020.

- 1 The company has invested in M/S. Simhapuri Energy Limited, which is one of step down subsidiary, amounting to Rs.22727 Lakhs. The Hon'ble National Company Law Tribunal (NCLT) admitted the Corporate Insolvency Resolution Process (CIRP) application filed against the company directed to initiate appropriate action contemplated with extent provisions of the insolvency and Bankruptcy Code, 2016 and other related rules. Based on the internal assessment, the company has made Provision for impairment on Investment amounting to Rs.22,727Lakhs in books of accounts.
- 2 The carrying value of investments held in and unsecured loans and advances given by the company to its subsidiaries listed in that note no 2, which have been incurring losses, the company, taking into account the internal assessment and initiatives to be implemented to improve the profitability in the medium to long term, is of the view that carrying value of investments and loans and advances are realizable at the value stated in the books.
- 3 The Madhucon Mega Mall Private Limited (MMMPL) a subsidiary of the company incorporated for developing shopping mall cum multiplex on leased land taken from Telangana housing Board at Kukatpally in Hyderabad. The company has invested 3500 Lakhs and awaiting the Government approval for the start of the project. The management of the company is confident in completing the project and the carrying values of investments in and loans sanctioned to MMMPL are realizable at the values stated in the Books of Account of Rs. 3500 Lakhs and Rs. 135.21 Lakhs respectively.
- 4 The outstanding Loans and Advances which were granted to "Nama Investments Limited" and "NNR Infra Investments Private Limited" in which the Company's Directors have Interest, are realizable at the Carrying Values in the Books of Accounts taking into account the internal assessment and initiatives to be implemented to improve the profitability in the medium to long term.
- 5 The company has to be remitted the Unpaid Dividend amount from the "Unpaid Dividend Account" to Investor Education and Protection Fund (IEPF) for the Financial year 2009-10 and 2010-11.

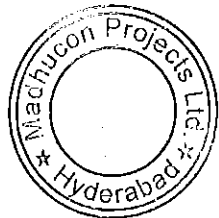


- 6 The Company has defaulted in repayment of dues to Banks and financial institutions amounting to Rs.68950.31Lakhs and Rs.5339.92Lakhs respectively as per books of accounts. All the loans outstanding were classified as NPA by the Banks and financial institutions. The company is in the process of One Time Settlement (OTS) with the banks for outstanding loans from the date they are classified as NPA and is expected to close the outstanding loans shortly as the OTS proceedings are in final stages.
- 7 Confirmation of balances could not be obtained as at 31<sup>st</sup> March, 2020 for various trade payables, borrowings and advances though management has requested for the confirmation of balances due to various reasons including impact of Covid - 19. Management believes that no material adjustment would be required in books of account upon the receipt of these confirmations.
- 8 The company has made payments towards managerial remuneration which is subject to the approval of the financial institutions.

Thanking You,

Yours Faithfully  
M/s Madhucon Projects Limited

  
(Seetharam Nama)  
Managing Director  
DIN: 00784491





**MPL/HYD/SE/0022/2020-21**

**Date: 30-07-2020**

To

The Stock Exchange Mumbai (BSE) Corporate Relationship Dept., 1st Floor, New Trading Ring Rotunda Building, PJ Towers Dalal Street, Fort, Mumbai -400 001	The National Stock Exchange (NSE) of India Limited, 5th Floor, Exchange Plaza, Bandra (East), Mumbai- 400 051.
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Dear Sir (s),

**Sub: Request to provide extension of time for submission of Consolidation Financial Results up to 31.08.2020 and Disclosure of reasons for non-submission of Consolidation Financial Results by the Company pursuant to SEBI Circular No.CIR/CFD/CMD-1/42/2018 DATED 19 November, 2018.**

**Ref.: BSE Scrip Code: 531497, NSE Scrip Code: MADHUCON.**

With reference to the above subject, we bring to your kind notice that in light of the prevailing challenges of global outbreak of COVID -19 Pandemic, which has brought the country to screeching halt. In the present global public health emergency, our company has also been pushed to further troubles and the Coronavirus lockdown has caused significant disruptions at our Head office, site offices and subsidiary company offices. Accounts staff are residing at containment areas and they are not allowed to come out due to proximity to Covid- 19 +ve patients as per the guidelines issued by Government of Telangana.

Simhapuri Energy Limited (SEL) is a step down subsidiary of the Company and it is material subsidiary to the company. State Bank of India (SBI) has filed a petition against SEL before National Company Law Tribunal (NCLT), Hyderabad Bench Vide No. CP(IB) No. 13/7/HDB/2020 for initiation of CIRP and Mr. Anish Niranjana Nanavathy, Mumbai has appointed as a Resolution Professional. Company has not received signed financials from the above Resolution Professional till date for doing the consolidation.

Subsidiary company offices are severely affected due to lockdown and office staff have not yet reported at their offices till date due to fear of increasing cases day by day after lifting of lock down. Subsidiary companies are unlisted and they have the time for closure of their accounts as per the Companies Act, 2013. Hence the Audited financial statements from Subsidiary Companies are not yet been received to close the Consolidated financials for the Financial year 2019-20.



Contd...2

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Tel : +91-40-23556001 - 4 Fax : +91-40-23556005 E-mail : corporate@madhucon.com

Regd. Office : H.No.1-7-70, Jublipura, Khammam, Telangana - 507 003, India

www.madhucon.com

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So we are facing problems in preparation and finalizing of the consolidated financials of the company. Due to the CoVID-19 virus pandemic, SEBI through its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/106 dated June 24, 2020 has extended the time for submission of **Financial Results for the 4<sup>th</sup> quarter and year ended 31<sup>st</sup> March, 2020 till 31<sup>st</sup> July, 2020** but we are not in a position to declare the Consolidated Audited Financial Results for the year ending 31<sup>st</sup> March, 2020 within the time specified in the circular due to above cited reasons.

So we request the **Stock Exchanges to kindly permit us for declaring of our Consolidated Financial Results till 31<sup>st</sup> August, 2020** (under Regulation 33 (3) (a)) along with Auditor's Report of the Company, for which we shall be very much grateful.

Please consider our request and waiting for your favourable action.

Thanking you,

For Madhucon Projects Limited

  
(N Seethaiah)  
Managing Director  
DIN: 00784491

