

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
M/s Waste Management Society
Yavatmal (Maharashtra)

Opinion

We have audited the accompanying financial statements of **Waste Management Society** which comprises the Balance Sheet as at 31st March 2020, and the Income & Expenditure Account for the Year and a summary of significant accounting policies and other explanatory Information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the society as at 31st March 2020 and of its financial performance for the year then ended in accordance with the accounting standards issued by the Institute of Chartered Accountants of India (ICAI).

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the society 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 statements, 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.

Responsibility of Management for Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, results of operations and of the entity in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the society'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 management either intends to liquidate the society or to cease operations, or has no realistic alternative but to do so. Those charged with governance are also responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

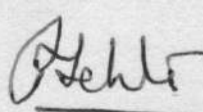
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 financial controls 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 society's internal control.
- 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 Society'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 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 Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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.

For **Luthra & Luthra LLP**
Chartered Accountants
Registration Number: 002081N/N500092


Nilesh Mehta
(Partner)
M. No. 093847
UDI No. - 20093847AAAADG9587
Place: New Delhi
Date: 24.10.2020



M/s WASTE MANAGEMENT SOCIETY, YAVATMAL
BALANCE SHEET AS ON 31.03.2020

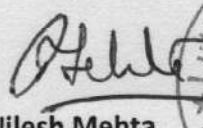
Particulars	Notes	As on March 31, 2020		As on March 31, 2019	
		Rupees	Rupees	Rupees	Rupees
I. SOURCES OF FUNDS					
1 Reserves and Surplus	3	<u>3,22,70,892</u>	3,22,70,892	<u>5,17,75,681</u>	5,17,75,681
2 Current Liabilities	4	<u>63,43,147</u>	63,43,147	<u>4,17,22,368</u>	4,17,22,368
			<u><u>3,86,14,039</u></u>		<u><u>9,34,98,050</u></u>
II. APPLICATION OF FUNDS					
1 Non current Assets					
(a) Fixed assets					
(i) Tangible Assets	5	43,38,791		97,51,868	
(ii) Intangible Assets		-		-	
(b) Long Term Loans & Advances	7	<u>1,73,553</u>	<u>45,12,344</u>	<u>34,39,342</u>	<u>1,31,91,210</u>
2 Current assets					
(a) Cash and Cash Equivalents	6	2,83,47,697		7,37,13,599	
(b) Current Assets	8	54,42,870		54,89,536	
(c) Short Term Loans and Advances	9	<u>3,11,127</u>	<u>3,41,01,695</u>	<u>11,03,704</u>	<u>8,03,06,839</u>
			<u><u>3,86,14,039</u></u>		<u><u>9,34,98,050</u></u>

Summary of significant accounting policies and notes to financial statements 2

The notes referred to above form integral part of the financial statements

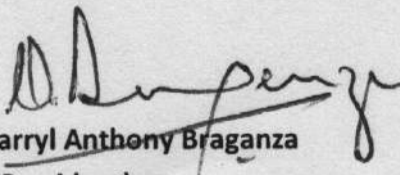
This is the Balance sheet referred to in our report of even date

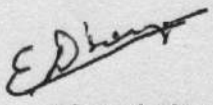
For Luthra & Luthra LLP
Chartered Accountants
Reg. No. 002081N/N500092


Nilesh Mehta
Partner
M. No. 093847
UDI No. 20093847AAAADG9587



For and on behalf of the Executive Committee


Darryl Anthony Braganza
(President)


Edward D'Souza
(Treasurer)

Place: New Delhi
Date: 24/10/2020

M/s WASTE MANAGEMENT SOCIETY, YAVATMAL
INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDING 31.03.2020

Particulars	Notes	For the year ending	For the year ending
		March 31, 2020	March 31, 2019
		Rupees	Rupees
I. Grant & Donations	10	3,37,29,491	9,28,26,501
II. Other Income	11	18,21,965	72,87,922
III. Total revenue (I+II)		3,55,51,456	10,01,14,423
IV. Expenses:			
(1) Programme Expenses	12	3,97,30,204	12,04,46,717
(2) Depreciation & Amortization Expenses	5	14,70,425	51,23,652
(3) Other Expenses	13	1,38,55,617	2,56,79,801
Total Expenses		5,50,56,246	15,12,50,170
V Excess of Income Over Expenditure		-1,95,04,790	-5,11,35,747

Summary of significant accounting policies and notes to financial statements 2

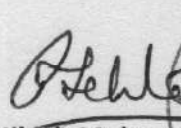
The notes referred to above form integral part of the financial statements

This is the Statement of profit and loss referred to in our report of even date

For Luthra & Luthra LLP

Chartered Accountants

Reg. No. 002081N/N500092


Nilesh Mehta

Partner

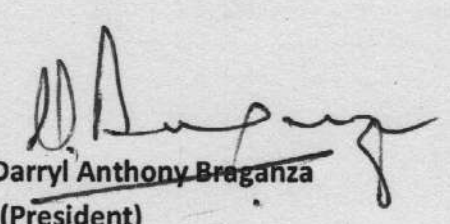
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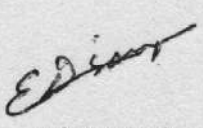
UDI No. 20093847AAAADG9587

Place: New Delhi

Date: 24/10/2020

For and on behalf of the Executive Committee


Darryl Anthony Breganza
(President)


Edward D'Souza
(Secretary)

M/s WASTE MANAGEMENT SOCIETY, YAVATMAL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING MARCH 31, 2020

Note 1 General Information

Waste Management Society, Yavatmal was incorporated under the provisions of the Section 21 of the Societies Registration Act, 1860 on 17th April'2002 as a society and registered as public trust as per the Maharashtra Public Trust Act, 1950 (NO. 29 of Act of 1950) as on 2nd December' 2002 at Serial No. F 7098 (Y) having its registered office at First Floor, House no. E 106/ 152, VHB Colony, Bajoriya Nagar, Yavatmal, Pin 445001, Maharashtra. The Society was formed to carry out activities related to protecting lives of people from all forms of slavery, preventing, tackling and eliminating all forms of human rights violation and relieve the sufferings, advancement of education and raising of public awareness through research of the causes and effects of human rights abuses and dissemination of results thereof.

Note 2 Summary of Significant Accounting Policies

a) Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention, accrual basis of accounting, in accordance with the India's generally accepted accounting principles and applicable accounting standards issued by the Institute of Chartered Accountants of India.

b) Use of Estimates

The preparation of financial statements, in conformity with the generally accepted accounting principles, requires management to make estimates and make assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingencies as at the date of the financial statements and reported amount of income and expenses during the period. Examples of such estimates include accounting for rates and taxes, and provisions etc. Contingencies are recorded when it is probable that a liability will be incurred, and amount can be reasonably estimated. Actual results could differ from those estimates.

c) Revenue Recognition

Revenue from Grants has been recognized when the right to receive is established (subject to receipt of grants or modification in terms of grant if any) and related conditions fulfilled only for the period to which the grant relates. Grant received for future periods is treated as advance and taken to liabilities. Interest is accounted for on time proportion basis.

d) Recognition of Expenditure

Expenses are accounted for on the accrual basis and provisions are made for all known losses and liabilities.

e) Fixed Assets

Fixed assets are shown at historical cost less current/ accumulated depreciation. The society capitalizes all direct cost including borrowing cost up to the date of commercial use of such assets.

Mobile handsets used by staff upto Rs. 25,000 have not been capitalised as their useful life is not expected to be more than one year and their residual value is also not significant.

f) Depreciation / Amortisation

Depreciation on assets is provided on Written down Value method, in accordance with the rates prescribed as per Income tax Act,1961 . Items of Fixed Assets acquired during the year costing up to Rs.5,000/- are fully depreciated.

Leasehold improvements have been depreciated on straight line basis over the lease period.

g) Taxation

Waste Management Society, Yavatmal is registered as a Charitable Society under section 12AA of the Income Tax Act,1961. Accordingly the society has been granted exemption from payment of Income tax under the provisions of Section 12A(1)(a) of the Act, w.e.f. the Assessment Year 2010-11. The stated provision confers the benefit of exemption in respect of any income of society existing wholly for Charitable purposes and not for profit. Since Waste Management Society, Yavatmal is an independent entity, therefore no provision for taxes has been made in the accounts.

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h) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if

- (i) the society has a present obligation as a result of a past event,
- (ii) a probable outflow of resources is expected to settle the obligation and
- (iii) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent Liability is disclosed in the case of

- (i) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle
- (ii) a possible obligation, unless the probability of outflow of resources is remote.

Contingent Assets are neither recognised, nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance sheet date.

i) **Employee Benefits**

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus etc. are recognized in the Income and Expenditure Account in the period in which the employee renders the related service.

Defined contribution plans

The Society's provident fund scheme is a defined contribution plan. A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions and will have no obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the Income and Expenditure Account when they are due.

Defined benefit plans

The Society's gratuity plan is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the valuation date. Actuarial gains and losses are recognized immediately in the Statement of Income and Expenditure.

Other long term employee benefits

Benefits under the Society's leave encashment scheme constitute other employee benefits. The liability in respect of leave encashment is provided on the basis of an actuarial valuation done by an independent actuary at the year end. Actuarial gains and losses are recognized immediately in the Statement of Income and Expenditure

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M/s WASTE MANAGEMENT SOCIETY, YAVATMAL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31.03.2020

Note 3 Reserves and Surplus

Particulars	As At	As At
	March 31,2020 (Rs)	March 31,2019 (Rs)
General Reserve		
Balance brought forward from previous year	5,17,75,682	10,29,11,428
Surplus/(Deficit)	-1,95,04,790	-5,11,35,747
Closing balance as at 31st March	3,22,70,892	5,17,75,681

Note 4 Current Liabilities

Particulars	As At	As At
	March 31,2020 (Rs)	March 31,2019 (Rs)
TDS Payable	6,30,254	21,49,238
Professional Tax payable	200	1,620
Provident Fund Payable	4,271	23,862
Labour Welfare Fund payable	-	98
Employee State Insurance Payable	-	356
Provision for Employee Benefits	-	85,73,543
Expenses Payable	18,08,756	3,09,73,651
Grant & Donations in Advances	38,99,666	-
	63,43,147	4,17,22,368

Note 6 Cash and cash equivalents

Particulars	As At	As At
	March 31,2020 (Rs)	March 31,2019 (Rs)
- Cash at Hand	3,170	3,541
- Cash at Bank		
FCRA A/c	2,28,52,944	6,64,51,704
Local a/c	54,91,583	72,58,354
- Fixed Deposits (FCRA)	-	-
	2,83,47,697	7,37,13,599

Note 7 Long Term Loans & Advances

Particulars	As At	As At
	March 31,2020 (Rs)	March 31,2019 (Rs)
Security Deposit (Gross)	23,96,967	34,39,342
Less: Provision for Doubtful Debts	-22,23,414	-
Security Deposit (Net)	1,73,553	34,39,342
Loans and Advances (Asset)	-	-
	1,73,553	34,39,342

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Note 8 Current Assets

Particulars	As At March 31,2020 (Rs)	As At March 31,2019 (Rs)
Justice and Care India	50,72,870	50,72,870
Prepaid Expenses	-	39,860
Income tax paid	3,70,000	3,70,000
Sudexo Coupons	-	-
TDS Receivable	-	6,806
	54,42,870	54,89,536

Note 9 Short Term Loans & Advances

Particulars	As At March 31,2020 (Rs)	As At March 31,2019 (Rs)
Advance to Vendors (Gross)	12,29,127	18,90,489
Provision for Doubtful Debts	-9,18,000	-9,18,000
Advance to Vendors (Net)	3,11,127	9,72,489
Receivable from Staff	-	-
Other Advances	-	1,31,215
	3,11,127	11,03,704

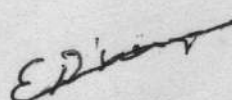

Note 10 Direct Incomes

Particulars	Year ending March 31,2020 (Rs)	Year ending March 31,2019 (Rs)
Grant & Donations *	3,37,29,491	9,28,26,501
	3,37,29,491	31,80,55,176

* Refer Note no. 15

Note 11 Other Income

Particulars	Year ending March 31,2020 (Rs)	Year ending March 31,2019 (Rs)
Interest on Fixed Deposit	-	-
Interest on Saving Bank	15,99,669	33,52,236
Other Income	2,22,296	39,35,686
	18,21,965	72,87,922



Note 12 Programme Expenses

Particulars	Year ending	Year ending
	March 31,2020	March 31,2019
	(Rs)	(Rs)
Salaries and Professional fees	3,36,79,165	8,06,34,166
Welfare expenses-Project	7,468	11,69,892
Rent and Maintenance- Project	12,17,007	2,29,97,235
Electricity Expenses - Project	-	8,64,812
Rescue & Care Expenses		
Aftercare	17,51,309	32,05,146
Employment Creation / Skill Dev.	28,814	22,82,089
Development & Communication	-	1,97,909
Case Management, Monitoring & Evaluation	60,006	63,877
Community Relation	7,41,814	6,41,979
Intervention	-	2,65,372
Investigation	6,42,337	14,72,272
Legal & Legal Research & Policy	13,15,586	22,81,116
Partnership & Cordination+C219	-	40,52,722
Research & Studies	2,75,438	3,18,131
Prior Period Expenses	11,259	
	3,97,30,204	12,04,46,717

Note 13 Other Expenses

Particulars	Year ending	Year ending
	March 31,2020	March 31,2019
	(Rs)	(Rs)
Salaries- Admn	-	1,19,03,314
Welfare expenses	1,532	1,66,375
Legal & Professional Fees	82,40,885	28,48,260
Rent and Maintenance- Admn	2,49,642	32,70,534
Travel	14,17,112	17,67,590
Conference Expenses	-	-
Accommodation	-	-
Audit Fees	3,54,000	3,54,000
General Office Expenses	4,99,084	9,71,738
Electricity Expenses -Admn	-	1,22,989
Telephone & Mobile Expenses	1,54,482	7,71,701
HR, Recruitment & Training	-	31,000
Miscellaneous Expenses	-	2,48,914
Insurance	4,19,998	2,26,519
Printing & Stationery	38,396	1,42,944
Postage & Courier	40,639	1,93,194
Interest on TDS	1,36,251	42,040
Bank Charges	39,281	16,059
Amounts Written off *#	1,790	26,02,630
Doubtful Debts	-	-
Provision for Doubtful Advance	22,23,414	
Prior Period Expense	39,111	
Total	1,38,55,617	2,56,79,801

* Refer Note no. 15

Amounts Written Off includes: Fixed Asset Written Off Rs. 20,37,344 , Security Deposit written off Rs. 5,58,239 and Other Dues Rs. 7,047 in Previous year



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Auditor's Remuneration:

Particulars	Year Ending 31 March-2020	Year Ending 31 March-2019
Audit fees*	3,54,000	3,54,000
Tax Matters*	4,74,950	1,18,000
Other Services*	53,100	44,250
Total	8,82,050	5,16,250

*Includes Service Tax/GST

Note 14 The expenses relating to Rent, Repairs & Maintenance and Electricity Charges incurred by the society is allocated proportionately between direct expenses and indirect expenses on the basis of average of Project related employees and Administrative Staff.

Note - 15 During the last financial year, the bank accounts of the Society were freezeed by the Ministry of Home Affairs pending its review. Due to which cash flows of the Society were severely impacted and operations were subsequently curtailed. Further the Society had to restructure its operations and let go most of its staff based on the restricted availability of funds. The Society had to also prematurely vacate its leased offices at various locations and write off few of its assets. The remaining Fixed Assets have been kept at temporary small leased premises under the custody and supervision of the Board.

Subsequent to the last balance sheet date, Ministry of Home Affairs had defreezed the bank accounts and the Society continues its operations in the restructured mode. In view of the above, the accounts for the year ended 31st March 2020, has been prepared on ongoing concern basis and not on liquidation basis.

Note 16 Employee Benefits *

(a) Expenses recognized in the Inome & Exlpediture Account in respect of Employee Benefits is as under:

Particulars	March 31, 2020	March 31, 2019
Employer's contribution to provident fund and other funds	21,375	18,27,466
Gratuity	-	-31,33,102
Leave Encashment	-	29,97,354

*There are only 2 employees as at 31 March 2020 who had joined during the year and no employees were there on 31st March 2019 hence Payment of Gratuity Act is not applicable. Further no Leave Encashment is allowed as per agreement with employees hence no valuation / provision has been made for the same.

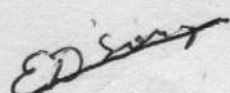
Note 17 The disclosure as per AS 18 – Related Party Disclosure :**(a) Details of Related Parties**

Related Party (KMP)	Designation
Darryl Anthony Braganza	President
Merlyn D'Souza	Vice President
Roque Coutinho	Secretary w.e.f 02.02.19
Clara Radhakrishna	Secretary till 01.02.19
Edward D'Souza	Treasurer
Samir Baptist	CEO w.e.f. 01.01.20
Joyita Ambett	CEO till 31.12.19

(b) Transactions during the year:

Remuneration paid to Key Managerial Persons - Rs. 58,90,251 (Previous Year Rs.1,25,49,311)

The above remuneration is considered for the relevant period during which such persons were Key Managerial Person




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Note 18

i) Estimated amount of contracts remaining to be executed on capital account and not provided for is ` Nil.

ii) Contingent liabilities -

a) Claims Against the Society not acknowledged as Debts : Rs. 8,90,700 (Previous Year :Rs.8,90,700)

b) Additions to taxable income amounting to Rs. 64,68,170 were made by the Income-tax authorities in the course of assessments for the A.Y 2014-15 with tax demand of Rs. 24,61,830. The society has challenged these additions and paid 15% of the demand amount. While the ultimate outcome of the above mentioned additions cannot be ascertained at this time, based on the current knowledge of the applicable law and advice received, management believes that they have fair chance of succeeding in the same and hence no provision for the same has been made in the accounts.

c) As per Section 58 of the Bombay Public Trust Act, Trusts are required to deposit 2% of Gross Annual Income as contribution to Public Trusts Administration Fund every year. However no payout or provision for liability has been made by the Trust in view of the Supreme Court judgement in State of Maharashtra & Ors Vs. The Salvation Army, Western India Territory dated – 10th February 1975 (CITATION: 1975 AIR 846 1975 SCR (3) 475 1975 SCC (1) 509) and the interim order passed by Bombay High Court in PIL no. 40, 1780 and 1864 of 2007 dt. 25.09.2009 granting a stay on the payments made under section 58 to the Charity Commissioner.

Note 19 Third Party balances are subject to confirmation.

Note 20 Previous years figures have been regrouped / recast wherever necessary to confirm to current year classification.

For Luthra & Luthra LLP

Chartered Accountants

Reg. No. 002081N/N500092

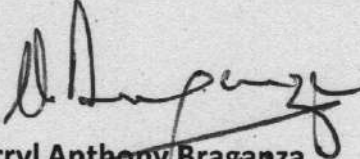

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Partner


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Darryl Anthony Braganza
(President)

For and on behalf of the Executive Committee


Edward D'Souza
(Treasurer)

Place: New Delhi

Date: 24/10/2020

M/s WASTE MANAGEMENT SOCIETY, YAVATMAL
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31.03.2020

Note 5
(Amount in Rs.)

ASSETS	Gross Block as on 01.04.19	Additions		Total Addition during the year	Deletion		Total Deletion during the year	Gross Block as on 31.03.2020	Rate	Accumulated Depreciation as on 1.04.2020	Depreciation	Deletions/ Adjustments	Accumulated Depreciation as on 31.03.2020	Net Block as at 31.03.2020
		More than 180 days	Less than 180 days		More than 180 days	Less than 180 days								
Furniture & Fixtures	4,95,514	-	-	-	33,435	-	33,435	4,62,079	10%	1,82,616	31,290	12,595	2,01,311	2,60,768
Office Equipment	73,93,937	-	-	-	10,09,397	1,29,325	11,38,722	62,55,215	15%	33,24,350	6,10,045	6,88,652	32,45,743	30,09,472
Computers & Software	87,98,553	-	-	-	2,78,825	-	2,78,825	85,19,728	40%	82,35,991	2,23,141	2,75,306	81,83,826	3,35,902
Vehicles	98,43,419	-	-	-	82,34,575	-	82,34,575	16,08,844	15%	51,62,471	6,05,950	47,66,352	10,02,069	6,06,775
Leasehold Improvement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Land and Building	1,74,825	-	-	-	-	-	-	1,74,825	0%	48,951	-	-	48,951	1,25,874
TOTAL	2,67,06,248	-	-	-	95,22,797	1,62,760	96,85,557	1,70,20,691		1,69,54,380	14,70,425	57,42,905	1,26,81,900	43,38,791



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