



To

The Members of AVADH RAIL INFRA LTD

**Report on the audit of the standalone financial statements**

**Opinion**

We have audited the accompanying standalone financial statements of Avadh Rail Infra Ltd ("the Company"), which comprise the balance sheet as at March 31, 2023, and the Statement of Profit and Loss and the statement of changes in equity and the 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 statements")

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 ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rule 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its Profit, change in equity and its cash flows for the year ended on that date.

**Basis for opinion**

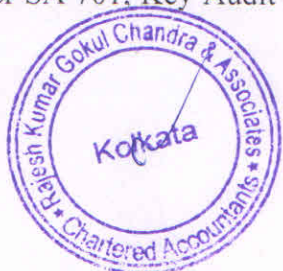
We conducted our audit of the standalone financial statements in accordance with the standards on auditing ("SA's") specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the standalone financial 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's code of ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**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.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.





### **Information other than the standalone financial statements and auditors' report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the management discussion and analysis, the Board's Report including Annexures to Board's Report, Business Responsibility and sustainability report, but does not include the consolidated financial statements, standalone financial statements and our auditor's 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 during the course of our 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. We have nothing to report in this regard.

### **Management's responsibility for the standalone financial statements**

The Company's board of directors are responsible for the matters stated in section 134 (5) of 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, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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, 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 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.

### **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.





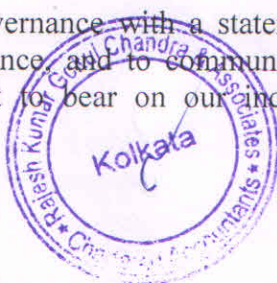
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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, 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 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 with reference to standalone financial statements 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the company to express an opinion on the standalone financial statements.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

As required by the Companies (Auditor's Report) Order, 2020 ("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.

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 balance sheet, the statement of profit and loss, statement of changes in equity and the cash flow statement 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 Ind AS and other 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, 2023 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2023 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 with reference to standalone financial statements of the company and the operating effectiveness of such controls, refer to our separate report in Annexure "B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- (g) In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended 31<sup>st</sup> March 2023 has been paid by the company to its directors in accordance with the provision of section 197 read with schedule V to the act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us;
  - (i) The company does not have any pending litigations which would impact its financial position;
  - (ii) The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;





- (iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts to the standalone financial statements, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in other person(s) or entity, including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the company from any person(s) or entities including foreign entities ("funding parties") with the understanding, whether recorded in writing or otherwise, that the company shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material misstatement.
- (v) Since the company has not declared or paid any dividend during the year, the question of commenting on whether dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013 does not arise.
- (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 1, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**For Rajesh Kumar Gokul Chandra & Associates.**  
**Chartered Accountants**  
**FRN : 323891E**

  
**(Rajesh Kumar Agarwal)**  
**Partner**  
**Membership No. 058769**  
**UDIN : 23058769BGWHGM2849**



**Place : Kolkata**  
**Date: 31.08.2023**



## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

The annexure referred to in our Independent Auditors Report under the heading 'Report on Other Legal & Regulatory Requirement' of even date to the members of M/s **Avadh Rail Infra Ltd** on the standalone financial statements of the company for the year ended 31<sup>st</sup> March, 2023.

On the basis of such checks as we considered appropriate and to the best of our information and according to the explanations provided to us by the company and the books of account and records examined by us in the normal course of audit, we report that:

- i. (a) (A) The Company has maintained proper records of tangible assets showing full particulars, including quantitative details and situation of Property, Plant and Equipment on the basis of information available.

(B) The Company has maintained proper records showing full particulars of the intangible Assets.

- (b) As explained to us, Property, plant & equipment have been physically verified by the management at reasonable intervals. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

- (c) Based upon the audit procedures performed and the information and explanations given by the management, the title deeds of immovable properties are held in the name of the company and there are no immovable properties which are held not in the name of the Company as at the balance sheet date, hence not applicable.

Description of Property	Gross Carrying Value	Held in the name of	Whether Promoter, Director or their Relative or employee	Period held - indicate range where applicable	Reason for not being held in the name of the company
N. A.					

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment and intangible assets during the year. Therefore, the provisions of clause (i)(d) of paragraph 3 of the order are not applicable to the company.

- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company as at March 31, 2023 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder. Therefore, the provisions of clause (i)(e) of paragraph 3 of the order are not applicable to the company.





- ii. (a) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate having regard to the size of the company and the nature of its business. No material discrepancies were noticed on such verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has been sanctioned working capital limits in excess of five crore rupees in aggregate from Banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the company with such banks are in agreement with the books of accounts of the company.
- iii During the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:

- (a) During the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity (Rs. In Lakh)

To whom	the aggregate amount during the year	balance outstanding at the balance sheet date
parties other than subsidiaries, joint ventures and associates	NIL	NIL
subsidiaries, joint ventures and associates	NIL	972.52 *
Corporate guarantee given to associates	1000.00	N.A

\*Details are given in Note 26 of financial statement for the year ended on March 31,2023.

- (b) According to the information and explanation given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;
- (c) In respect of loans granted by the company, the schedule of repayment of the principal amount and the payment of the interest have not been stipulated and hence we are unable to comment as to whether receipt of the principal amount and the interest is regular;
- (d) According to the information and explanation given to us, there is no overdue amount in respect of loans granted by the company remaining outstanding as at the balance sheet date;

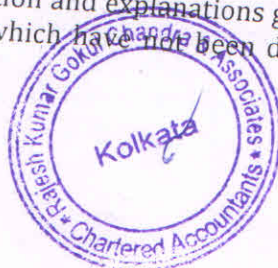




- (e) According to the information and explanation given to us, in respect of any loan or advance in the nature of loan granted which has fallen due during the year, none has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties;
- (f) The company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, required details in respect thereof are as below:

the aggregate amount	percentage thereof to the total loans granted	aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013
NIL	NIL	974.39 Lacs

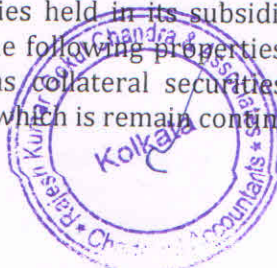
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities provided, as applicable.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public; hence clause 3 (v) is not applicable to the company. Accordingly, directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. The company maintain necessary cost records as specified by Central Government under sub section 1 of section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014. In terms of the provisions of section 148 of the Companies Act, 2013, the company is required to have its cost records audited by a Cost Accountant in practice and the board of directors have approved the appointment of M/s Honey Singh & Associates as cost auditors for submission of cost records pertaining to the applicable activities of the company for the current financial year.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Education Cess and other material statutory dues have generally been regularly deposited during the year by the company with the appropriate authorities. According to the information and explanation given to us, there were no undisputed outstanding statutory dues as on March 31, 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, details of statutory dues referred to in sub clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below.





S. N o.	Name of Statute	Nature of Dues	Amount of disputes (Rs in Lakhs)	Amount paid under protest (Rs in Lakhs)	Period to which the amount relates	Forum where dispute is pending
1	Custom Act	Custom Duty	24.03		2004-05	The Additional Director General of Foreign Trade
2	UP Commercial Tax Act	Sales Tax	11.99		2006-07	Commissioner Appeal
3	Uttarakhand Commercial Tax Act	Sales Tax	2.69		2009-2010	Appellate Authority

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.
- b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been declared a willful defaulter by any bank or financial institution or other lender.
- c) In our opinion and according to the information and explanations given to us by the management, the term loans were applied for the purpose for which the loans were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis which have been utilized for long term purpose by the company.
- (e) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures as defined under the Act. However the Company had investments in its subsidiaries, associates or joint ventures (as defined under the Act) out of its own funds, details of which are mentioned specifically in Note 26 of financial statement for the year ended on March 31,2023.
- (f) In our opinion and according to the information and explanations given to us and the procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates, or joint ventures (as defined under the Act.) except the following properties of subsidiary/ associate companies which has previously been given as collateral securities to the Bank against enhancement of credit facilities of the company which is remain continuously mortgaged with the Bank:





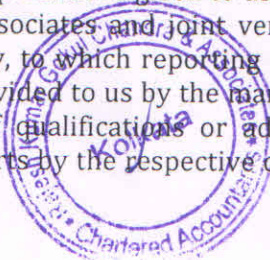
Name of the subsidiary/ associate companies	Details of properties pledged as collateral securities
Radiant Buildcon Private Ltd	Flat No. 101 ,102,201,202,203, 301 ,302,303, 401 & 402 of Tower B-3 and 101,102,103,201,202,203,301,302,303, 401,402,403 of Tower B4 at Radiant Apartment, formerly known as Marina Heights Kharar, Chandigarh Road, Tehsil - Kharar, Hadbast No. 184, Dist - Mohati (Punjab)
Subhmoti Exports Private Ltd	Municipal door no. 1/12b, MKN road, Alandur, Chennai-600016 comprised in survey no. 1452 & 1453 and glrs no. 358 and 359 of st. Thomas mound cantonment village. total extent 21355 sq. Feet.

- x. (a) Based upon the audit procedures performed and the information and explanations given to us by the management, the company has not raised money by way of initial public offer or further public offer (including debt instruments). Accordingly, the provisions of clause (x)(a) of paragraph 3 of the order are not applicable to the company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year under review. Accordingly, the provisions of clause (x)(b) of paragraph 3 of the order are not applicable to the company.
- xi. (a) Based upon the audit procedures performed and according to the information and explanations given to us, the Company has neither committed any fraud nor any fraud on the company has been noticed or reported during the year
- (b) Based upon our audit procedures performed and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules 2014 with the Central Government, during the year and upto the date of this report.
- (c) Based upon our audit procedures and according to the information and explanations given to us, there has been no instance of whistle blower complaints received by the Company during the year under audit.
- xii. In our opinion, the company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the order are not applicable to the company.
- xiii. In our opinion and as per the information and explanations given to us by the management, all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable, and the details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards. Identification of related parties were made and provided by the management of the company.





- xiv. (a) According to the information and explanation given to us, the company has an internal audit system commensurate with the size and nature of its business.  
(b) We have considered the reports of the internal Auditor for the period under audit issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedure.
- xv. According to the information and explanation given to us. We are of the opinion that the company has not entered into any non-cash transactions with directors or persons connected with him and accordingly the provisions of clause 3(xv) of the order is not applicable.
- xvi. (a) According to the information and explanations given to us and on the basis of books and records examined by us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.  
(b) The company has not conducted any Non Banking Financial or Housing Finance activities during the year.  
(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.  
(d) In our opinion and according to the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).
- xvii. The company has not incurred cash loss in current financial year and as well as not incurred cash loss during immediately preceding financial year.
- xviii. There has been no resignation of the previous statutory auditors during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the board of directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet. We, however state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts as on the date of balance sheet under review / audit and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, there is no unspent amounts towards Corporate Social Responsibility (CSR) under sub section (5) of section 135 of the Act. Accordingly reporting under clause (xx) of paragraph 3 of the order is not applicable to the company for the year.
- xxi. According to the information and explanations given to us, and based on the reports, issued by the auditors of the subsidiaries, associates and joint ventures included in the consolidated financial statements of the company, to which reporting on matters specified in paragraph 3 and 4 of the order is applicable, provided to us by the management of the company and based on the identification of matters of qualifications or adverse remarks in their Companies (Auditor's Report) Order 2020 reports by the respective component auditors and provided to






RAJESH KUMAR GOKUL CHANDRA & ASSOCIATES  
CHARTERED ACCOUNTANTS

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Mobile No. 09331784007  
Email rkgca@hotmail.com

us, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO reports. Hence the clause (xxi) of paragraph 3 of the order is not applicable to the company.

**For Rajesh Kumar Gokul Chandra & Associates.**  
**Chartered Accountants**  
**FRN : 323891E**

  
**(Rajesh Kumar Agarwal)**  
**Partner**  
**Membership No. 058769**



**UDIN : 23058769BGWHGM2849**

**Place : Kolkata**  
**Date: 31.08.2023**



**"Annexure B to the Independent Auditor's Report of even date on the Financial Statements of M/s Avadh Rail Infra Ltd**

**Report on the Internal Financial Control with reference to standalone financial statements under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone financial statements of M/s Avadh Rail Infra Ltd. ("the Company") as of March 31, 2023 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**

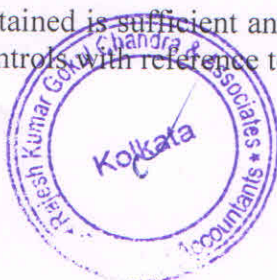
The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). 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 adherence to 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements 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") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those standards and the Guidance Note require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 judgment, including the assessment of the risks of material misstatement of the standalone 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 opinion on the Company's internal financial controls with reference to standalone financial statements.





### Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to standalone financial statements

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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, to the best of our information and according to the explanations given to us, the company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal control with reference to standalone financial statements 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.

For Rajesh Kumar Gokul Chandra & Associates.  
Chartered Accountants  
FRN : 323891E

  
(Rajesh Kumar Agarwal)  
Partner  
Membership No. 058769



UDIN : 23058769BGWHGM2849

Place : Kolkata  
Date: 31.08.2023

**AVADH RAIL INFRA LTD.**  
(CIN: U25199TN1980PLC008354)

**BALANCE SHEET AS AT 31ST MARCH, 2023**

Particulars		Note No.	(Amount in Lakhs)	
			As at 31 March, 2023 (Rs.)	As at 31 March, 2022 (Rs.)
<b>A</b>	<b>ASSETS</b>			
1	Non-current assets			
	(a) Property, Plant & Equipment, Capital Work In Progress and Intangible Assets	2	3,746.93	2,019.97
	(b) Non-current investments	3	1,024.76	1,034.41
	(c) Deferred tax assets (net)	-	-	-
	(d) Long-term loans and advances	4	-	-
	(e) Other non-current assets	5	270.21	341.35
			5,041.90	3,395.73
2	Current assets			
	(a) Current investments	6	-	-
	(b) Inventories	7	3,447.29	2,520.01
	(c) Trade receivables	8	7,999.86	6,243.82
	(d) Cash and cash equivalents	9	3,076.80	1,687.42
	(e) Short-term loans and advances	10	2,263.58	4,294.62
	(f) Other current assets			
			16,787.53	14,745.87
	<b>TOTAL (1+2)</b>		<b>21,829.43</b>	<b>18,141.60</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
1	Shareholders' funds			
	(a) Share capital	11	52.87	52.87
	(b) Reserves and surplus	12	9,322.85	7,565.59
	(c) Money received against share warrants			
			9,375.72	7,618.46
2	Share application money pending allotment		-	-
3	Non-current liabilities			
	(a) Long-term borrowings	13	2,261.07	1,798.58
	(b) Deferred tax liabilities (net)		32.47	14.49
	(c) Other long-term liabilities	14	280.59	231.02
	(d) Long-term provisions		-	-
			2,574.13	2,044.09
4	Current liabilities			
	(a) Short-term borrowings	15	4,575.18	3,071.48
	(b) Trade payables	16	2,597.16	3,067.38
	Total outstanding dues of micro small and medium enterprises			
	Total outstanding dues of creditors other than micro small and medium enterprises			
	(c) Other current liabilities	17	1,771.22	1,700.17
	(d) Short-term provisions	18	936.02	640.02
			9,879.58	8,479.05
	<b>TOTAL (1+2+3+4)</b>		<b>21,829.43</b>	<b>18,141.60</b>

Significant Accounting Policies  
Notes on Accounts

1  
26

The accompanying notes 1 to 26 are an integral part of the Financial Statements

In terms of our report attached.

For Rajesh Kumar Gokul Chandra & Associates  
Chartered Accountants  
FRN: 323891E

(Rajesh Kumar Agarwal)  
Partner  
Membership No: 058769

Place : Kolkata  
Date : 31.08.2023



For and on behalf of the Board of Directors

Subhash Chandra Saraff  
Director  
DIN. 00354969

Abhishek Saraff  
Director  
DIN. 00355289

Priyanka Saraff  
Director  
DIN. 06420193

**AVADH RAIL INFRA LTD.**  
(CIN: U25199TN1980PLC008354)  
**STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2023**

		(Amount in Lakhs)	
Particulars	Note No.	For the year ended 31st March, 2023 (Rs.)	For the year ended 31st March, 2022 (Rs.)
<b>INCOME</b>			
1 Revenue from operations	19	29,062.71	21,032.67
2 Other income	20	269.56	42.42
3 <b>Total Income (1+2)</b>		<b>29,332.27</b>	<b>21,075.09</b>
<b>EXPENSES</b>			
Cost of materials consumed	21	19,686.06	14,298.83
Purchase of Stock In Trade			
Changes in inventories of finished goods, work-in-progress and Stock in Trade	22	(377.61)	(398.88)
Employee benefits expense	23	1,621.82	1,242.97
Finance costs	24	375.17	283.04
Depreciation and amortisation expense	2	397.74	347.79
Other expenses	25	5,274.86	4,127.71
<b>Total expenses</b>		<b>26,978.04</b>	<b>19,901.46</b>
5 <b>Profit / (Loss) before tax (3-4)</b>		<b>2,354.23</b>	<b>1,173.63</b>
6 <b>Tax expense:</b>			
Tax expense for current year		681.02	205.06
Deferred tax		17.98	4.38
Income tax adjustment for earlier years		(102.03)	(151.08)
<b>Total Tax Expenses</b>		<b>596.97</b>	<b>58.36</b>
7 <b>Profit / (Loss) after tax for the year (5-6)</b>		<b>1,757.26</b>	<b>1,115.27</b>
8 <b>Earnings per share (of Rs. 10/- each):</b>			
Basic		328.72	208.63
Diluted		328.72	208.63

Significant Accounting Policies  
Notes on Accounts

1  
26

The accompanying notes 1 to 26 are an integral part of the Financial Statements

In terms of our report attached.

For Rajesh Kumar Gokul Chandra & Associates  
Chartered Accountants  
FRN: 323891E

For and on behalf of the Board of Directors

(Rajesh Kumar Agarwal)  
Partner  
Membership No: 058769



Subhash Chandra Saraff  
Director  
DIN. 00354969

Abhishek Saraff  
Director  
DIN. 00355289

Priyanka Saraff  
Director  
DIN. 06420193

Place : Kolkata  
Date : 31.08.2023

**AVADH RAIL INFRA LIMITED**  
(CIN : U17121WB1991PTC050669)

**STATEMENT OF CASH FLOW**

(Amount in Lakhs)

	31.03.2023		31.03.2022	
	Amount in Rs.	Amount in Rs.	Amount in Rs.	Amount in Rs.
<b>Cash flows from operating activities</b>				
Profit/ (Loss) after Tax	2,354.23		1,173.63	
Adjustments For:				
Provision for Depreciation and amortisation	397.74		347.79	
Interest Income	(30.72)		(33.27)	
Finance Cost	375.17		283.04	
Profit on sale of fixed assets	(0.33)		(3.96)	
Income From Investment	-		(4.21)	
Decrease/ (Increase) in Trade Receivable	(1,756.04)		(1,603.18)	
Increase / (Decrease) in Trade Payables	(470.22)		1,986.35	
Decrease/ (Increase) in Inventories	(927.28)		(1,035.85)	
Decrease/ (Increase) in Short Term Loans & Advances	2,031.04		(1,100.31)	
Increase / (Decrease) in Other Current Liabilities	71.05		295.63	
Increase In Deferred Tax Assets	17.98		-	
Increase / (Decrease) in Other Provisions	296.00		-	
Interest on Income Tax Refund	(130.71)		-	
Income Tax Refund	472.84		-	
Income Tax Paid	(415.00)		(116.72)	
Provision for taxation	(596.97)			
<b>Net Cash provided by Operating Activities</b>		1,688.78		188.94
<b>Cash flows from investing activities</b>				
Sale/Purchase of fixed assets	(2,037.28)		(187.66)	
Interest Income	30.72		33.27	
Profit from sale of fixed assets	0.33		3.96	
Income From Investment	-		4.20	
<b>Net cash provided (used) by investing activities</b>		(2,006.23)		(146.23)
<b>Cash flows from financing activities</b>				
Interest Paid	(375.17)		(283.04)	
Long Term Borrowings	524.91		(919.55)	
Decrease Non current assets	43.74		-	
Decrease in Non Current Investment	9.66		-	
Short Term Borrowings	1,503.69		1,989.20	
<b>Net cash provided (used) in financing activities</b>		1,706.83		786.61
<b>Increase (decrease) in cash during the period</b>		1,389.38		829.32
<b>Cash balance at the beginning of the period</b>		1,687.42		858.10
<b>Cash balance at the end of the period</b>		3,076.80		1,687.42
		1,389.38		829.32
		0.00		0.00

The above cash flow statement has been prepared under the indirect method set out in Accounting Standard (AS) 3 "Cash Flow Statement" notified pursuant to the Companies (Accounts) Rules, 2014. All figures in brackets indicate outflow.

In terms of our report attached.

For Rajesh Kumar Gokul Chandra & Associates For and on behalf of the Board of Directors  
Chartered Accountants  
FRN: 323891E

(Rajesh Kumar Agarwal)  
Partner  
Membership No: 058769

Subhash Chandra Saraff  
Director  
DIN. 00354969

Abhishek Saraff  
Director  
DIN. 00355289

Priyanka Saraff  
Director  
DIN. 06420193

Place : Kolkata  
Date :31.08.2023



**NOTE NO. 1:** Significant Accounting Policies on Financial Statements  
(Annexed to and forming part of the Balance Sheet as at 31st March, 2023 and the annexed Statement of Profit & Loss for the year ended on that date.)

**SIGNIFICANT ACCOUNTING POLICIES:**

- a) Principle & Practice:  
The financial statements have been prepared under the historical cost convention on accrual basis of accounting in accordance with generally accepted accounting policies and comply with the accounting standards issued by the Institute of Chartered Accountants of India and relevant provisions of the Companies Act, 2013 to the extent applicable.
- b) System of Accounting:  
Generally Mercantile System of Accounting is followed except rates and taxes, filing fees and insurance charges and other unascertained items which have been taken on cash basis.
- c) Recognition of Income & Expenses:  
Items of Income and Expenditure are recognized on accrual basis save as above.
- d) Property, Plant & Equipments and Depreciation:
- (i) Property, Plant & Equipment's is stated at historical cost (inclusive of all expenses incidental to acquisition and to put to use of such assets) less accumulated depreciation provided year to year.
  - (ii) Depreciation on Property, Plant & Equipment's asset has been provided for on W.D.V. method in the manner and at the rate specified under Schedule II to the Companies Act, 2013.
- e) Current Assets & Liabilities:  
In the opinion of the Board, all the Assets other than Property, Plant & Equipments and Non-Current Investments are at least approximately of the value stated in the accounts, if realized in the ordinary course of business, unless otherwise stated. The provision of all the known liabilities are adequate and are not in excess of the amount considered reasonably necessary by the management.
- f) Method of valuation:  
Raw Materials and consumable stores – Valued at cost on FIFO Basis.  
Finished Goods – Valued at cost or market price, whichever is lower.  
Work in Progress – valued at cost on the basis of stage of completion
- g) Contingent Liabilities & Commitments:  
Contingent Liabilities are provided in the Accounts on the best judgment basis depending upon the degree of certainty of the contingency. Commitments are provided on the basis of estimated amount of and period of occurrence. The balances of both, not provided for, are disclosed by way of notes. However, there is no known or expected contingent liability or commitment at the year end.
- h) Earnings per Share:  
Basic earnings per share are 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 equity shares outstanding during the period are adjusted for the effects for all dilutive potential equity shares.



Contd...

**AVADH RAIL INFRA LIMITED**  
**[CIN : U25199TN1980PLC008354]**

**NOTE NO. 1: Significant Accounting Policies on Financial Statements**

(Annexed to and forming part of the Balance Sheet as at 31st March, 2023 and the annexed Statement of Profit & Loss for the year ended on that date.)

i) Employee Benefits:

The Company has Followed Accounting Standard (AS)-15 on employees Benefits issued by the ICAI. The employees benefit regarding Gratuity, Pension, Leave Encashment etc. Which are payable before the end of twelve months after the end of the period in which the employees render service are measured at cost and are recognized as expenses as and when it accrues.

j) Provision for Taxation:

Provision for Taxation has been made as per Income Tax Act 1961 and Rules made there under.

k) Recognition of Deferred Tax

The Company recognizes deferred tax assets and liabilities in terms with Accounting Standard 22 issued by the Institute of Chartered Accountants of India on "Accounting for Taxes on Income". Deferred tax is recognized on timing differences (being the difference between taxable income under Income Tax Act and Accounting Income) which originate in one period and are capable of reversal in subsequent period. Deferred Tax Assets over & above Deferred Tax Liabilities are recognized only if there is reasonable certainty of recouping them against taxable Profit in foreseeable future. All such assets and liabilities are reviewed on each Balance Sheet date to reflect the changed position.

l) Cash Flow Statement

Cash Flows are reported using the indirect method whereas Profit/Loss before tax is adjusted for the effect of transaction of non-cash nature and any deferrals of accounts of past or future cash receipts or payment. The cash flows are operating, investing and financing activities of the Company are segregated based on the available information.



Notes forming part of financial statements

Note 2 : Property, Plant & Equipment, Capital Work in Progress and Intangible Assets

Particulars	2022-23										(Amount in Lakhs)	
	Leasehold & Freehold Land	Factory Land and Building	Plant and Equipment	Computer Equipments	Vehicles	Office Equipments	Electrical Installation	Furniture and Fixtures	Goodwill	Total		
(i) Property, Plant & Equipments												
Useful Life	-	30	15	3	10	10	10	10	10	0		
Rate of depreciation	-	9.50%	18.10%	63.16%	25.89%	25.89%	25.89%	25.89%	25.89%	0.00%		
Cost as at April 1, 2022	132.14	927.28	3,091.19	61.60	337.23	25.70	108.50	109.75	-	4,793.38		
Additions	1,147.71	70.01	521.47	17.61	132.40	112.27	16.36	19.45	-	2,037.29		
Disposals	-	-	-28.68	-	-51.38	-	-	-	-	-80.06		
Translation exchange difference	-	-	-	-	-	-	-	-	-	-		
Cost as at March 31, 2023	1,279.85	997.29	3,583.98	79.21	418.25	137.96	124.86	129.19	-	6,750.60		
Accumulated depreciation as at April 1, 2022	-	388.75	1,874.11	56.35	257.88	24.00	94.68	85.14	-	2,780.91		
Depreciation	-	52.60	249.78	8.19	41.09	25.85	11.51	8.72	-	397.74		
Translation exchange difference/other adjustment	-	-	-2.34	-	-60.15	-	0.02	-	-	-62.47		
Accumulated depreciation as at March 31, 2023	-	441.35	2,121.55	64.53	249.23	49.85	106.21	93.86	-	3,126.58		
Net carrying amount as at March 31, 2022	1,279.85	555.94	1,462.43	14.68	169.02	88.12	18.65	35.33	-	3,624.02		
(ii) Capital Work in Progress										115.41		
(iii) Intangible Assets										7.50		
(iv) Intangible assets under development										-		
<b>Grand Total</b>	<b>1,279.85</b>	<b>657.67</b>	<b>1,476.11</b>	<b>14.68</b>	<b>169.02</b>	<b>88.12</b>	<b>18.65</b>	<b>35.33</b>	<b>7.50</b>	<b>3,746.93</b>		

2021-2022

Particulars	2021-2022										(Amount in Lakhs)	
	Leasehold & Freehold Land	Factory Land and Building	Plant and Equipment	Computer Equipments	Vehicles	Office Equipments	Electrical Installation	Furniture and Fixtures	Goodwill	Total		
Useful Life	-	30	15	3	10	10	10	10	10	0		
Rate of depreciation	-	9.50%	18.10%	63.16%	25.89%	25.89%	25.89%	25.89%	25.89%	0.00%		
Cost as at April 1, 2021	132.13	927.28	2,963.90	56.04	325.58	25.70	98.18	106.15	-	4,634.97		
Additions	-	-	127.29	5.56	39.27	-	10.32	3.59	-	186.03		
Disposals	-	-	-	-	-27.63	-	-	-	-	-27.63		
Translation exchange difference	-	-	-	-	-	-	-	-	-	-		
Cost as at March 31, 2022	132.13	927.28	3,091.19	61.60	337.23	25.70	108.50	109.75	-	4,793.38		
Accumulated depreciation as at April 1, 2021	-	332.22	1,626.89	53.79	263.12	23.41	81.00	77.44	-	2,457.85		
Depreciation	-	56.53	247.22	2.56	18.84	0.59	13.68	7.70	-	347.12		
Translation exchange difference	-	-	-	-	0.67	-	-	-	-	0.67		
Accumulated depreciation as at March 31, 2022	-	388.75	1,874.11	56.35	257.88	24.00	94.68	85.14	-	2,780.91		
Net carrying amount as at March 31, 2022	132.13	538.53	1,217.08	5.25	79.35	1.70	13.82	24.61	-	2,012.47		
(ii) Capital Work in Progress										-		
(iii) Intangible Assets										-		
(iv) Intangible assets under development										7.50		
<b>Grand Total</b>	<b>132.13</b>	<b>538.53</b>	<b>1,217.08</b>	<b>5.25</b>	<b>79.35</b>	<b>1.70</b>	<b>13.82</b>	<b>24.61</b>	<b>7.50</b>	<b>2,019.97</b>		

Note 2 (a) : Capital work in progress

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 year
Project in Progress	115.41			
Project temporarily Suspended	-			



**AVADH RAIL INFRA LTD.**  
(CIN: U25199TN1980PLC008354)

(Amount in Lakhs)

<b>Note 3 : Non Current Investments</b>	<b>As at 31 March, 2023 (Rs.)</b>	<b>As at 31 March, 2022 (Rs.)</b>
<b>Long Term , Non Trade</b>		
<b>Quoted Mutual Fund (At Cost)</b>		
Long term (At cost less provision for other than temporary diminution)		
Investments in Equity Shares		
Unquoted, Fully Paid up :		
i) Bihari Ji Cylinders Pvt. Ltd. (43,510 Shares, PY. 43,510 shares)	4.35	4.35
ii) Radiant Buildcon Pvt Ltd. (42,500 shares, PY. 42,500 shares)	59.50	59.50
iii) Subhamoti Finance Pvt. Ltd. (2,50,000 shares, PY. 2,50,000 shares)	15.00	15.00
iv) Subhamoti Exports Pvt. Ltd. (2,00,000 shares, PY. 2,00,000 shares)	10.16	10.16
v) Avadhray Energy Pvt. Ltd. (6,00,000 shares, PY. 5,90,000 shares)	60.00	59.00
vi) Kamayani Engineering Co. Pvt. Ltd. (46,150 shares, PY. 46,150 shares)	4.00	4.00
vii) Avadh Technometal Pvt. Ltd. (37,57,500 shares PY nil)	375.75	-
viii) Investment in Preference Shares		
Unquoted, Fully Paid up :		
Avadhray Energy Pvt. Ltd. (48,60,000 shares, PY. 47,79,000 shares)	486.00	477.90
xi) Pmppl-Avadh Jv (49% of Capital Contribution)	10.00	404.50
<b>Total</b>	<b>1,024.76</b>	<b>1,034.41</b>

**Note 4 : Long-term loans and advances**

<b>Capital Advance</b>		
Secured, considered good	-	-
Capital Advance (Unsecured, considered doubtful)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 5 : Other non current assets**

<b>Security deposits</b>		
Secured, considered good	270.21	341.35
<b>Total</b>	<b>270.21</b>	<b>341.35</b>

**Note 6 : Current Investments**

<b>Short Term, Non Trade</b>		
	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 7 : Inventories**

Raw materials	2,204.68	1,664.24
Finished goods (other than those acquired for trading)	519.36	622.53
Consumable Stores	104.79	95.56
Work in Progress	618.46	137.68
<b>Total</b>	<b>3,447.29</b>	<b>2,520.01</b>

**Note 8 : Trade receivables**

Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	1,213.30	862.87
Other Trade receivables	6,786.56	5,390.95
Unsecured, considered good		
<b>Total</b>	<b>7,999.86</b>	<b>6,243.82</b>



## Trade Receivables ageing schedule

Particulars	2022-23					
	outstanding for following periods from due date of payment					Total
	Less than 6 months	6 month to 1 year	1 - 2 year	2 - 3 year	More than 3 years	
(i) undisputed trade receivables - considered good	6,786.56	620.53	569.38	-	-	7,976.47
(ii) undisputed trade receivables - considered doubtful	-	-	17.61	-	-	17.61
(iii) disputed trade receivables - considered good	-	-	-	-	-	-
(iv) disputed trade receivables - considered doubtful	-	-	5.78	-	-	5.78
TOTAL	6,786.56	620.53	592.77	-	-	7,999.86

Particulars	2021-22					Total
	outstanding for following periods from due date of payment					
	Less than 6 months	6 month to 1 year	1 - 2 year	2 - 3 year	More than 3 years	
(i) undisputed trade receivables - considered good	5,365.23	444.45	406.46	-		6,216.14
(ii) undisputed trade receivables - considered doubtful	15.72	0.83	5.35			21.90
(iii) disputed trade receivables - considered good			3.00			3.00
(iv) disputed trade receivables - considered doubtful			2.78			2.78
TOTAL	5,380.95	445.28	417.59	-	-	6,243.82

\*Details as per information available

## Note 9 : Cash and cash equivalents

Cash in hand (As certified by the management)	9.07	8.88
Balance with banks		
in current accounts	2,167.04	1,105.38
Cheques in Hand	190.96	10.78
Margin money with Bank's	709.73	562.38
<b>Total</b>	<b>3,076.80</b>	<b>1,687.42</b>

## Note 10 : Short-term loans and advances

Prepaid expense- Unsecured, considered good	23.08	16.93
Advances Recoverable in cash & kind	972.52	1,836.98
Balances with government authorities		
Deposit with Customs	33.60	45.88
TDS Receivables	0.14	25.15
TCS Receivables	0.00	0.94
Income Tax Refundable	59.40	259.39
MAT Credit Receivables	-	151.08
GST Refundable	104.15	1,211.17
Deposit with Excise Department	7.80	6.93
Deposit with Sales Tax Department	16.82	16.81
	221.91	1,717.35
Others		
Advances to Employees	19.82	10.47
Advance to Supplier/Service Providers (Unsecured, considered good)	848.27	514.33
Advance to Supplier/Service Providers (Unsecured, considered doubtful)	177.98	198.56
	1,046.07	723.36
<b>Total</b>	<b>2,263.58</b>	<b>4,294.62</b>



**AVADH RAIL INFRA LTD.**  
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Notes forming part of the financial statements

**Note 11 : Share Capital**

**11.1 : Share Capital**

Particulars	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022	(Amount in Lakhs) As at 31.03.2022
	No of Shares	Amount (Rs.)	No of Shares	Amount (Rs.)
(a) Authorised Ordinary Equity Shares of Rs. 10/- each	2,000,000	200.00	2,000,000	200.00
(b) Issued Ordinary Equity Shares of Rs. 10/- each	534,580	53.46	534,580	53.46
(c) Subscribed & Paid Up Ordinary Equity Shares of Rs. 10/- each	534,580	53.46	534,580	53.46
Less : Calls unpaid		0.59		0.59
	534,580	52.87	534,580	52.87

**11.2 : Reconciliation of number of Ordinary shares outstanding**

Particulars	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2022
	No of Shares	Amount (Rs.)	No of Shares	Amount (Rs.)
Ordinary Equity Shares of Rs. 10/- each fully paid up As at beginning of the year	534,850	52.87	534,850.00	52.87
Add: Shares issued, Subscribed and Paid Up during the year	-	-	-	-
As at end of the year	534,850	52.87	534,850.00	52.87

**11.3 : Shareholders holding more than 5% of the Ordinary Shares in the Company**

Particulars	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2022
	No of Shares	%	No of Shares	%
i) Subhash Chandra Saraff	92527	17.50	92,527.00	17.50
ii) Anjali Saraff	131810	24.93	131,810.00	24.93
iii) Abhishek Saraff	90350	17.09	90,350.00	17.09
iv) Subhash Chandra Saraff (HUF)	106580	20.16	106,580.00	20.16
v) Pullman Engineering Co. Pvt. Ltd.	40000	7.57	40,000.00	7.57
vi) Zoom Construction & Holding Co. Pvt. Ltd.	52400	9.91	52,400.00	9.91

Note: The company has issued equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding and are subject to preferential rights of the Preferential Shares (if issued).

**11.4 : Details of shareholdings of the promoters in the Company**

Particulars	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2022	% change during the year
	No of Shares	%	No of Shares	%	
i) Subhash Chandra Saraff	92527	17.50	92,527.00	17.50	-
ii) Anjali Saraff	131810	24.93	131,810.00	24.93	-
iii) Abhishek Saraff	90350	17.09	90,350.00	17.09	-
iv) Subhash Chandra Saraff (HUF)	106580	20.16	106,580.00	20.16	-

**Note 12 : Reserves & Surplus**

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Rs.	Rs.	Rs.	Rs.
<b>Reserves and Surplus</b>				
(a) Capital Reserve				
Balance as per last account	13.32		13.32	
Add:- Received during the year	-	13.32	-	13.32
(b) Capital Subsidy				
Balance as per last account	1.14		1.14	
Add:- Received during the year	-	1.14	-	1.14
(c) Investment Allowance Reserve				
Balance as per last account	18.65		18.65	
Add:- Received during the year	-	18.65	-	18.65
(d) Securities premium account				
Balance as per last account	358.72		358.72	
Add:- Received during the year	-	358.72	-	358.72
(e) Surplus				
Balance as per Last Account	7,173.76		6,058.49	
Less :- Adjustment for change in useful life				
Add/(Less): Net Profit ( Net Loss) for the year	1,757.26		1,115.27	
		8,931.02		7,173.76
		9,322.85		7,565.59



**13. (a) Nature of securities:**

- Term loans from IDFC First Bank Limited (Formerly Capital First) are secured by first charge on immovable properties situated at Lucknow by deposit of title deeds.
- Car Loans are secured by hypothecation of respective financed car.
- Term loan from Standard Chartered Bank is secured by first charge on immovable property situated at Adyar, Chennai.
- Term loan from Punjab National Bank is secured by first charged on immovable property situated at Haridwar, Uttarakhand.

**13. (b) Terms of repayment:**

Sl. No.	Particulars	Amount outstanding as on balance sheet date		Period of maturity w.r.t balance sheet date	Number of installments outstanding as on 31.03.2023	Amount of Installment *	Rate of Interest (%)
		Non-current (Rs.)	Current (Rs.)				
i)	Secured Loan from bank (Union bank of India -Guaranteed Emergency Credit Line Term Loan GECL) Union Bank Of India Term Loan A/C 7793069900000001	143.39	346.03	1 years 6 month	18	28.84	7.50%
iii)	Secured Car Loan from bank (HDFC Fortuner a/c no.63224293)	-	4.15	10 months	10	0.43	7.35%
iv)	Secured Loan from bank (IDFC Capital First No.13878855)	530.57	92.32	5 years 6 month	66	12.10	9.10%
v)	Secured Loan from bank (SCB-004786414)	443.98	231.64	2 years 11 month	35	24.38	11.14%
vi)	Secured Loan from bank (PNB 717700CN000000010)	640.04	203.04	4 years 11 month	59	16.92	9.50%
vii)	Secured Loan from bank (Union bank of India -Guaranteed Emergency Credit Line Term Loan GECL Extn 01) (UBI Term Loan A/C 7793069900000004)	460.00	-	4 years 10 month	36		
viii)	Secured Car Loan from bank (HDFCLEXUS - ES 300H)	43.09	10.59	4 years 5 month	53	12.78	7.50%
	<b>Total</b>	<b>2,261.07</b>	<b>887.77</b>			1.20	9.85%
		<b>(1798.58)</b>	<b>(640.02)</b>				

Figures in the brackets pertain to previous year.

\* Includes Interest



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**Note 13 : Long Term Borrowings**

(Amount in Lakhs)

	As at 31 March, 2023 (Rs.)	As at 31 March, 2022 (Rs.)
<b>Term Loans</b>		
Secured, considered good	2,261.07	1,798.58
<b>Total</b>	<b>2,261.07</b>	<b>1,798.58</b>

\*Refer Schedule 4(a) & 4(b)

**Note 14 : Other long term liabilities**

Liability for Employees Retirement Fund	280.59	231.02
<b>Total</b>	<b>280.59</b>	<b>231.02</b>

**Note 15 : Short term borrowings**

<b>Repayable on demand</b>		
From banks		
<b>Secured</b>		
Union Bank of India (Cash Credit Limit Account)	2,472.37	2,646.41
Punjab National Bank (Cash Credit Limit Account)	1,081.31	-
Yes Bank (Cash Credit Limit Account)	601.92	-
<b>Loan from related parties</b>		
<b>Unsecured</b>		
	419.58	425.07
<b>Total</b>	<b>4,575.18</b>	<b>3,071.48</b>

Working capital loan is secured by hypothecation of present & future stocks and book debts and second charge on the Company's immovable properties situated at Haridwar, Dehradun and Chennai by deposit of title deeds and also by second charge on all plant & machinery and other fixed assets of the Company, both present & future, and are additionally secured by personal guarantees of the Director Mr. Subhash Chandra Saraff and Mr. Abhishek Saraff.

**Note 16 : Trade Payables**

<b>Trade Payables</b>		
(A) Total outstanding dues of micro enterprises and small enterprises	106.13	36.73
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,491.03	3,030.65
<b>Total</b>	<b>2,597.16</b>	<b>3,067.38</b>

**Trade Payables ageing schedule**

Particulars	2022-23 outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	106.13	-	-	-	106.13
(ii) Others	2,435.65	53.60	-	-	2,491.03
(iii) disputed dues - MSME	-	-	-	1.78	-
(iv) disputed dues - others	-	-	-	-	-
<b>TOTAL</b>	<b>2,541.78</b>	<b>53.60</b>	<b>-</b>	<b>1.78</b>	<b>2,597.16</b>

Particulars	2021-22 outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	36.73	-	-	-	36.73
(ii) Others	3,022.84	4.56	0.24	-	3,030.65
(iii) disputed dues - MSME	-	-	-	3.01	-
(iv) disputed dues - others	-	-	-	-	-
<b>TOTAL</b>	<b>3,059.57</b>	<b>4.56</b>	<b>0.24</b>	<b>3.01</b>	<b>3,067.38</b>

\*\*Details as per information available

**Note 17 : Other current liabilities**

Statutory remittances	420.59	709.57
Others for Expenses	1,228.72	976.95
Security Deposit from Suppliers/supplier of services	100.00	2.58
Advance from Customers	19.16	10.33
Due to Employees	2.75	0.74
<b>Total</b>	<b>1,771.22</b>	<b>1,700.17</b>

\* Security deposit from supplier taken as security in order to safeguard the interest of company in case contractor refuses to perform obligations of their part.

**Note 18 : Short - Term Provisions**

Provision for taxation	48.25	
Current maturities of long - term debt	887.77	640.02
(Refer Note No. 4 (a) & (b) for nature of securities)	936.02	640.02
<b>Total</b>	<b>936.02</b>	<b>640.02</b>



**AVADH RAIL INFRA LTD.**  
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(Amount in Lakhs)

Note 19 : Revenue from operation	For the Year ended 31.03.2023 (Rs.)	For the Year ended 31.03.2022 (Rs.)
Sales and Services of Manufactured Goods	28,413.52	20,497.89
Sale of Scrap/Rejected Goods	272.34	193.92
Other operating revenue	376.85	340.86
	<b>29,062.71</b>	<b>21,032.67</b>

**Notes**

Sale and services of Manufactured Goods comprises		
Domestic Sales and services	28,365.77	20,379.69
Exports Sales and services	-	57.17
Add: /(Less): Exchange Fluctuation	47.75	61.03
	<b>28,413.52</b>	<b>20,497.89</b>
Sales of Process/Other Scrap		
Process scrap	256.87	188.64
Others	15.47	5.28
	<b>272.34</b>	<b>193.92</b>
Other operating revenue		
Duty drawback and other export incentives	-	0.60
Tooling /Testing & Other Services	5.42	34.07
Bad debts recovered later	261.24	203.17
SVC Deductions recovered later	110.19	103.02
	<b>376.85</b>	<b>340.86</b>

\*Sales & services of manufactured goods includes supply and services including works contracts.

**Note 20 : Other income**

Interest on Fixed Deposit	30.72	33.42
Interest on Security Deposit	1.44	0.15
Sundry balances written back	-	0.08
Rent received	2.53	0.60
Profit on sale of fixed assets	0.33	3.96
Gains/Loss From Investments	103.83	4.21
Interest on Income Tax Refund	130.71	-
	<b>269.56</b>	<b>42.42</b>

**Note 21 : Cost of materials consumed**

Raw Material		
Opening stock	1,759.80	1,122.83
Add Purchases	20,235.73	14,935.80
	<b>21,995.53</b>	<b>16,058.63</b>
Less: Closing stock*	2,309.47	1,759.80
	<b>19,686.06</b>	<b>14,298.83</b>

\* Closing stock of Raw Material is inclusive of Consumables

**Note 22 : Changes in inventories of finished goods, work-in-progress and stock in trade**

Inventories at the end of the year:		
Finished goods	519.36	622.53
WIP	618.46	137.68
	<b>1,137.82</b>	<b>760.21</b>
Inventories at the beginning of the year		
Finished goods	622.53	279.85
WIP	137.68	81.48
	<b>760.21</b>	<b>361.33</b>
	<b>(377.61)</b>	<b>(398.88)</b>



**AVADH RAIL INFRA LTD.**  
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(Amount in Lakhs)

Note 23 : Employee benefit expense	For the Year ended 31.03.2023 (Rs.)	For the Year ended 31.03.2022 (Rs.)
Salaries & Wages	960.65	727.64
Director's Remuneration	457.52	335.41
Bonus & Exgratia	66.44	53.59
Staff welfare expenses	104.96	99.65
Employee State Insurance Contribution	4.09	3.46
Contribution to Provident Fund	28.16	23.22
	<b>1,621.82</b>	<b>1,242.97</b>

**Note 24 : Finance costs**

Interest expense on:		
Borrowings	375.17	283.04
Others :		
	<b>375.17</b>	<b>283.04</b>

**Note 25 : Other expenses**

<b>Manufacturing expense</b>		
Power and Fuel	334.58	229.11
Manufacturing expense	1,079.92	590.93
Labour charges	862.30	624.31
Repairs & maintenance at Factory	119.41	210.10
Freight (including shipping charges)	1,033.85	804.59
<b>Other expenses</b>		
Advertisement	4.57	0.95
Bank charges	30.20	96.22
Repairs & maintenance - Others	139.32	315.29
Vehicles Running & Maintenance	48.08	37.27
Electricity Expenses	3.14	2.39
Sales promotion expense	62.99	117.11
Administration charges	49.00	6.70
Security charges	55.65	43.79
Subscriptions and Donations	10.28	5.06
Lease Rent	28.52	44.47
Rent	29.49	21.35
Rates & Taxes (excluding taxes on income)	29.86	56.46
Penalty & Fines	2.01	1.42
Filing Fees	0.91	1.18
Sundry Balances written off	6.84	20.40
Technology Fees	130.73	58.70
SVC Deductions	0.62	-
LD deduction *	596.59	61.78
Commission Paid	6.24	-
Registration and Tender fees	4.76	3.09
Professional and legal fees	205.02	475.17
Travelling expenses	310.26	191.40
Telephone Expenses	15.80	16.29
General expenses	12.92	9.04
Insurance	16.52	19.40
Printing & Stationery	13.32	11.09
Postage & Telegram	4.95	5.12
Internal Audit Fees	2.10	2.10
CSR Expenses	13.00	29.85
PVC Deductions	7.50	13.22
<b>Remuneration to Auditor's</b>		
For Statutory Audit	1.25	0.75
For Tax Audit	0.25	0.25
For other services	2.11	1.36
	<b>5,274.86</b>	<b>4,127.71</b>

\*Increase in L.D Deductions is on account of delayed supplies of goods to Railways however a substantial part of these deductions are expected to be recovered as Railways has introduced "Vivaad se Vishwas scheme" to get refund of such deductions which are occurred on account of delays happened in relation with covid pandemic.



**AVADH RAIL INFRA LIMITED**  
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**NOTE NO. 26: Notes on Accounts on Financial Statements**

(Annexed to and forming part of the Balance Sheet as at 31st March, 2023 and the annexed Statement of Profit & Loss for the year ended on that date.)

**OTHER NOTES ON FINANCIAL STATEMENTS**

1. Figures of the previous year has been re-grouped/re-arranged and recasted wherever necessary. All the figures are rounded off in Lakhs.

2. The Company is a Medium Size Company as defined in the General Instruction in respect of Accounting Standard notified under the Companies Act, 1956. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small & Medium Size Company.

**3. Related Party Disclosures :**

Disclosures as required by the Accounting Standard 18 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India.

A. Relationship are given below :-

a) Directors :- (1) Subhash Chandra Saraff, (2) Abhishek Saraff, (3) Priyanka Saraff, (4) Rohit Srivastava, (5) Kalyanaraman Ganeshan (Independent Director w.e.f April,2023), (6) Honey Singh (Independent Director w.e.f April,2023) .

b) Relative of Directors – (1) Anjali Saraff.

c) Group Companies where common control exists : (1) Radiant Buildcon Pvt. Ltd., (2) Subhamoti Finance Pvt. Ltd., (3) Subhamoti Export Pvt. Ltd., (4) Avadhraj Energy Pvt. Ltd., (5) Pullman Engineering Co. Pvt. Ltd, (6) Kamayani Engineering Products Ltd., (7) Sumo Pullman Pvt Ltd, (8) Bihari Ji Cylinders Pvt. Ltd., (9) Atlantic Tradelinks Pvt.Ltd., (10) Emerald Tracon Pvt. Ltd., (11) S S Agencies Pvt Ltd., (12) Pmppl-Avadh JV (13) Sumo Forge Ltd., (14) Madras Elastomers Ltd. , (15) Avadh Technometal Pvt Ltd. , (16) Atlantic Tradeengineers LLP (17) Recon Engineering Co. Pvt Ltd. (18) Zoom Construction & Holding Co. Pvt. Ltd.

**B. Transaction with related Parties**

Parties Name	Nature of Transaction	Relationship	Amount of Transaction (Rs. In Lakhs)	Outstanding as on 31.03.2023 (Rs. In Lakhs)
Subhash Shandra Saraff	Director Remuneration	Director	24.00 (24.00)	0.00 (20.15)
Abhishek Saraff	Director Remuneration	Director	239.33 (189.25)	0.00 (-8.00)
Priyanka Saraff	Director Remuneration	Director	178.33 (155.32)	0.00 (26.52)
Rohit Srivastava	Director Remuneration	Director	15.45 (13.60)	1.87 (5.01)
Kalyanaraman Ganeshan	Director Remuneration	Independent Director	11.10 (00.00)	-0.59 (-0.77)
Honey Singh	Director Remuneration	Independent Director	1.20 (00.00)	-0.27 (0.00)
Anjali Saraff	Remuneration	Major shareholder	18.00 (18.00)	0.00 (10.89)
Avadh Technometals Pvt. Ltd.	Rent Received	Subsidiary	1.00 (0.00)	1.00 (0.00)
Avadh Technometals Pvt. Ltd.	Investment in share capital of subsidiary being 75% of the entire share capital	Subsidiary	375.75 (0.00)	375.75 (0.00)
Avadh Technometals Pvt. Ltd.	Machine parts sold	Subsidiary	13.39 (0.00)	13.39 (0.00)
Atlantic Tradelinks Pvt. Ltd.	Rent Received	Group company	1.95 (0.60)	0.00 (0.00)
Atlantic Tradelinks Pvt. Ltd.	Expenses incurred	Group company	0.99 (0.00)	0.00 (0.00)



Atlantic Tradelinks Pvt. Ltd.	Amount received against expenses incurred	Group company	0.99 (0.00)	0.00 (0.00)
Atlantic Tradelinks Pvt. Ltd.	Sale of Goods	Group company	9.29 (0.00)	0.00 (0.00)
Atlantic Tradelinks Pvt. Ltd.	Amount Received	Group company	9.29 (0.00)	0.00 (0.00)
Pullman Engineering Co. Pvt. Ltd.	Purchase of Goods	Group company	2787.77 (1385.18)	0.00 (0.00)
Pullman Engineering Co. Pvt. Ltd.	Payment against Supplies	Group company	2830.09 (892.20)	-399.84 (253.73)
Radiant Buildcon Pvt. Ltd.	Amount Received	Subsidiary	183.00 (0.00)	150.17 (333.17)
Avadhraj Energy Pvt. Ltd.	Advance Given	Subsidiary	5.50 (5.00)	-279.58 (-285.07)
JCL Infra Ltd.	1% Shares of Avadhraj Energy Pvt Ltd Acquired from JCL Infra Ltd	Related party	9.10 (0.00)	0.00 (0.00)
Pmpmpl-Avadh JV	Return of Advance	Group company	394.05 (177.34)	0.00 (404.05)
Pmpmpl-Avadh JV	Sale of Goods	Group company	1868.02 (1943.73)	1226.80 (0.00)
Pmpmpl-Avadh JV	Receipt against Sale	Group company	1503.50 (1106.90)	0.00 (0.00)
Recon Engineering Co. Pvt. Ltd.	Purchase of Goods	Group company	196.33 (0.00)	1.25 (0.00)
Recon Engineering Co. Pvt. Ltd.	Payment against Supplies	Group company	196.33 (0.00)	0.00 (0.00)
Pullman Engineering Co. Pvt. Ltd.	Return of Advance	Group company	261.25 (0.00)	0.00 (0.00)
Sumo Forge Ltd.	Return of Advance	Group company	147.10 (0.00)	673.48 (28.45)
Zoom Construction & Holding Co. Pvt. Ltd.	Payment Received	Group company	161.00 (0.00)	0.00 (1.00)

(Figures in bracket indicate previous year i.e. 2021-22)

C. Amount Outstanding (Receivable/Payable) as on 31.3.2023 : As above

#### 4. Earnings Per Share

2022-2023      2021-2022

a) Calculation of Weighted average (no. of equity shares of Rs. 10/- each.)

No. of shares at the beginning of the period

534580      534580

Share issued during the year.

Nil      Nil

No. of Shares at the close of the period

534580      534580

Weighted average no. of Equity shares during the period

534580      534580

(b) Net Profit for the period attributable to equity shares ( Rupees Lakhs)

1757.26      1115.27

(c) Basic & diluted earning (in Rupees) per shares

328.72      208.63

5. As per AS-28 the impairment losses recognized in the books of accounts is Rs. Nil (previous year Rs. Nil)

#### 6. Deferred tax assets/liabilities:

Over the period of time, the Company has provided less depreciation in the books of accounts on the existing assets than that claimed as per Income Tax Act. So there are deferred tax Liabilities on account of it. The accumulated Deferred Tax Liabilities as on 31.03.2023 was Rs. 32.47 Lakhs as against the Deferred Tax Liabilities of Rs. 14.49 Lakhs as on 31.03.2022. This is in accordance with Accounting Standard (AS22) "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.

#### 7. Employees Benefits

The Company has applied Indian Accounting Standard (IAS)-19 on employees Benefits issued by the ICAI. The employees benefit regarding Gratuity, Pension, Leave Encashment etc. which are payable before the end of twelve months after the end of the period in which the employees render service are measured at cost and are recognized as expenses as and when it accrues.



8. Details of immovable properties whose title deeds are not held in the name of the company.

Description of item of Property	Gross Carrying Value	Title deed held in the name of the company	Whether title deed holder is a promoter, director or their relative or employee	Property held since which date	Reason for not being held in the name of the company
			NIL		

9. The company has not revalued its Property, Plant and Equipment during the year.

10. Disclosure on Loans / Advances to Directors / KMP / Related Parties (Amount in Lakhs)

Type of borrower	Amount of loan or advances in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Repayable on demands	NIL	NIL
Promoters	NIL	NIL
Directors	1.87	0.19%
KMPs	NIL	NIL
Related Parties	972.52	99.81%

11. There is no capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan.

12. There are no Intangible assets under development or whose completion is overdue or has exceeds its cost compared to its original plan.

13. There is no proceedings have been initiated during the year or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under as at 31<sup>st</sup> March 2023.

14. The company has been sanctioned working capital limits from Banks on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks are in agreement with the books of accounts of the company and there are no material deficiencies to disclose.

15. The company has not been declared as a willful defaulter by any bank or financial institutions or by any other lender.

16. The company has utilized the fund raised from the bank or financial institutions for the same purpose for which the loan was taken during the year.

17. Financial Ratios

Sl. No.	RATIOS	NUMERATOR	DENOMINATOR	31.03.2023	31.03.2022	VARIANCE (In %)	REASON FOR MAJOR VARINACE
1	Current Ratio	Current Assets	Current Liabilities	1.70	1.78	-4.27	Increase in Short Term Borrowings
2	Debt Equity Ratio	Total Debt	Shareholder's Equity	0.73	0.72	0.81	Utilisation of CC limit Reduced
3	Debt service coverage ratio	Earnings available for debt service	Debt service	0.46	2.12	-78.11	Investment in Capex Increases
4	Return on equity ratio	Net profit after tax	Average shareholder's fund	0.21	0.15	41.27	Due to increase in PAT

5	Inventory turnover ratio	Cost of goods sold	Average inventory	7.62	8.69	-12.28	Closing Inventory Increases
6	Trade receivable turnover ratio	Net sales	Average account receivables	4.08	3.81	7.15	Improvement in realisation
7	Trade payables turnover ratio	Net credit purchases	Average trade payables	7.14	7.20	-0.78	Better Inventory management
8	Net capital turnover ratio	Net sales	Average working capital	4.41	3.23	36.72	Increase In Trade Receivables
9	Net profit ratio	Net profit after tax	Net sales	6.05	5.38	12.37	Improvement in Contribution
10	Return on capital employed	Earning before interest and tax	Capital employed	0.23	0.15	51.51	Improvement in Contribution
11	Return on Investment	Income from Investment	Total Investments	NA	NA	NA	NA

18. There is no charge or satisfaction of charges is yet to be registered with the Registrar of Companies.

19. The company has followed / complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rule 2017.

20. Income Tax adjustment of earlier year of Rs.102.03 lacs shown as exceptional item in profit & loss account is on account of adjustment made after receipt of final assessment order from Income Tax department relevant to financial year 2011-12 (AY 2012-13).

21. There is no scheme of arrangements has been approved by the competent authority in terms of section 230 to 237 (Corporate Restructuring) of the Companies Act 2013.

22. The company did not have any transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

23. Details of CSR:

a	Amount required to be spent by the company during the year	17.43 Lakh
b	Amount of expenditure incurred	13.00 Lakh
c	Utilized from available surplus	4.43 Lakh
c	Shortfall at the end of the year	NIL
d	Total of previous year's shortfall	NIL
e	Reason for shortfall	NA
f	Nature of CSR activities	Hunger Eradication / Skill development
g	Details of related party transactions	NA
h	Movement of provision during the year	NA

24. The company has not trade or invested Crypto currency or virtual currency during the financial year.

25. The company has not entered in any transactions with any struck off companies under section 248 of the Companies Act 2013 or section 560 of the Companies Act 1956.

26. The company has not borrowed any funds for the purpose of further lending, investment, guaranty or security to the third parties during the year.

27. There are no material differences between the gross and net (WDV) carrying amounts of each class of assets, hence the reconciliation is not required



28. During the year company has acquired lease hold land in SIIDCUL Haridwar to establish casting plant for backward integration of certain major raw materials.

29. During the year company has started a new subsidiary (holding 75% equity) in the name of Avadh Technometals Pvt Ltd to further undertake backward integration of certain major raw materials.

30. Corporate Guarantee of rupees Ten crores given to Standard Chartered Bank on behalf of our associate company "Pullman Engineering Company Pvt Ltd"

31. Advances to supplier includes an amount of Rs.1,75,47,555.00, which was given during previous years to an overseas supplier who has failed to supply the goods as per terms of contract resulting in cancellation of purchase order from our side. Company is opting to resort on legal action to recover the same and is expecting to recover the whole amount without any deductions.

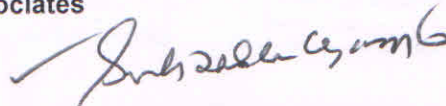
32. There has been substantial increase in L.D Deduction is on account of delayed supplies of goods to Railways however a substantial part of these deductions are expected to be recovered as Railways has introduced "Vivaad se Vishwas scheme" to get refund of such deductions which are occurred on account of delays happened in relation with covid pandemic.

33. Additional information pursuant to the provision of the Companies Act, 2013 :-

A	Details of Items of Exceptional and Extra Ordinary Nature	:	NIL
B	Prior period Items	:	NIL
C	1. Value of Imports on C.I.F. basis,	:	8,483.30
	2. Expenditure in Foreign Currency on Account of Royalty, Know-how, Fees,	:	690.74
	3. Interest and other matters and remittance on account of dividend in foreign currency	:	NIL
D	Earning in Foreign Exchange on Export, Royalty, Know-how, Fees, Interest, Dividend or others	:	NIL
E	Aggregate of the amounts set aside or proposed to be set aside to Reserves or Provisions	:	NIL
F	Travelling/ Other expenditures in foreign currency	:	163.70


Notes "1" to "26" form an integral part of the accounts and have been duly authenticated.  
As per our report of this date annexed

For Rajesh Kumar Gokul Chandra & Associates  
Chartered Accountants  
FRN : 323891E



Subhash Chandra Saraff  
Director  
(DIN : 00354969)



  
(CA. Rajesh Kumar Agarwal)  
Partner  
Membership No. 058769

  
Abhishek Saraff  
Director  
(DIN: 00355289)

  
Priyanka Saraff  
Director  
(DIN: 064020193)

Place : Kolkata  
Dated : 31.08.2023