



# Rachana Infrastructure Ltd.

404, 405, 4th Floor, Angel Complex, Nr. Income Tax Rly. Crossing, Nr. Oasis Hotel, Navrangpura,  
Ahmedabad-380 009. • Phone : 079 - 26560327 • E-mail : rachanainfra404@gmail.com  
Website : www.rachanainfra.com • CIN No. : U45203GJ2001PLC039725

To,  
The Manager  
Listing Department  
**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra-Kurla Complex  
Bandra (E), Mumbai- 400 051,  
Maharashtra, INDIA

Date: 02<sup>nd</sup> September, 2022

**Scrip Code:- RILINFRA**

**Sub: Annual Report for the Financial Year 2021-22 including Notice of Annual General Meeting**

Dear Sir/ Madam,

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 Annual Report of the Company for the Financial Year 2021-22 including the Notice convening Annual General Meeting, being sent to the Members through electronic mode, is attached.

The Annual Report including Notice is also uploaded on the Company's website and can be accessed at <https://rachanainfra.com/annual-report/>.

This is for your information and records.

Thanking you.  
Yours faithfully,  
For, Rachana Infrastructure Limited

**Smit Shah**  
Company Secretary and  
Compliance Officer



Encl.: As Above

**RACHANA INFRASTRUCTURE**  
**LIMITED**  
**21<sup>ST</sup> Annual Report**



**Financial Year 2021-2022**





## CORPORATE INFORMATION

<p><b><u>BOARD OF DIRECTORS</u></b></p> <p><b>Mr. Girishkumar Ochchhavlal Raval</b> Chairman &amp; Managing Director</p> <p><b>Mr. Bhaminiben Baldevprasad Mehta</b> Wholetime Director</p> <p><b>Dr. Ashokkumar Raval</b> Director</p> <p><b>Mr. Kalpit Dave</b> Independent Director</p> <p><b>Mr. Saureen Patel</b> Independent Director</p> <p><b>Mr. Bharatkumar Chaudhary</b> Independent Director</p> <p><b><u>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</u></b></p> <p>Mr. Gaurav Dixit (Upto 28-10-2021) Mr. Smit Dhanvantkumar Shah (From 01-02-2022)</p> <p><b><u>CHIEF FINANCIAL OFFICER (CFO)</u></b></p> <p>Mrs. Ishita Raval</p> <p><b><u>STATUTORY AUDITOR</u></b></p> <p><b>M/s. Ankit Chokshi &amp; Co.</b> Chartered Accountants, Statutory Auditor</p> <p><b><u>COST AUDITOR</u></b></p> <p><b>M/S Dalwadi and Associates.</b> Cost Accountants</p> <p><b><u>BANKER</u></b></p> <p>Bank of Baroda Axis Bank Limited</p>	<p><b><u>CORPORATE IDENTITY NUMBER (CIN)</u></b></p> <p>U45203GJ2001PLC039725</p> <p><b><u>REGISTERED OFFICE</u></b></p> <p>404, 405, 4th Floor, Angel Complex, Nr. Income Tax Railway Crossing, Nr. Oassis Hotel, Navrangpura, Ahmedabad Gujarat 380009 India Phone: 079 26560327</p> <p><b><u>MAIL &amp; WEBSITE</u></b></p> <p>rachanainfra404@gmail.com www.rachanainfra.com</p> <p><b><u>REGISTRAR AND SHARE TRANSFER AGENT (RTA)</u></b></p> <p>Bigshare Services Private Limited. A-802 Samudra Complex, Off CG Road, Near Girish Cold Drinks, Navrangpura, Ahmedabad - 380009 Email:- bssahd@bigshareonline.com Phone:-079-40024135 Website: www.bigshareonline.com</p>
--	---

INDEX		
Sr. No.	Title	Page No.
1)	<i>Letter to Shareholders</i>	5-6
2)	<i>Notice</i>	7-27
3)	<i>Director's Report</i>	28-56
4)	<i>Independent Auditor's Report</i>	57-67
5)	<i>Financial Statements</i>	68-82
6)	<i>Notes forming part of Financial Statements</i>	83-95

## **LETTER TO SHAREHOLDERS**

**Dear Shareholders,**

We take immense pleasure by sharing with you about the performance of your Company and present Annual Report for the Financial Year 2021-22.

We would like to state that your Company is progressing to achieve new milestones in its journey towards growth through total excellence. Rachana Infrastructure Limited (RIL) has pursued business excellence through passion and expansion project carried out successfully which would result into improved cost competitiveness and profitability.

We have undertaken several strategic initiatives to drive improvement across operating parameters and created a more efficient and sustainable business framework to successfully meet the challenges arose due to outbreak of Covid-19 pandemic in last few years. We believe that with proper planning on all fronts of the business we can overcome the adverse effects of the this Covid-19 pandemic and took this opportunity to thank all our office and factory staff, workers, suppliers, buyers, business associates, bank and other stakeholders to jointly contribute to face this pandemic situation.

Your Company is engaged in all types of infrastructure and civil construction work since incorporation. Over the years we believe that we have established a strong customer base and good marketing setup. RIL has grown from a local Ahmedabad contractor to a Pan-India. Our Company got the contracts from the Government (Zilla Panchayat) at a very small scale. In addition, we got sub contracts from the infrastructure Companies from Gujarat, Maharashtra and many other states. Over a period of time, Company got expertise in the traditional construction of Buildings, Road Construction, Irrigation, Hydro power Project and Mining. With time and experience, we started expanding our business in the other states of the India like Maharashtra, Madhya Pradesh, Jharkhand and Rajasthan. We have well trained and adequate teams to handle daily activities and are supervised regularly.

We would like to assure that we will continuously seek opportunities and make our best efforts to contribute towards the growth and success of the organization.

I thank all valued shareholders of the Company for their confidence and trust and we assure that all efforts shall be put forth for achieving greater heights in future and shareholders can look forward for robust growth of our Company in the years to come.

We extend our sincere appreciation to colleagues on the board for their wise and matured counsel for the smooth functioning of the Company. We would like to express our profound gratitude to all our stakeholders, our customers, business associates, employees, bankers, vendors and shareholders who have reposed their trust in us and given us constant support.

With Warm Regards,

Sd/-

Yours Sincerely

**GIRISHKUMAR OCHCHHAVLAL RAVAL**  
**CHAIRMAN & MANAGING DIRECTOR**

## **NOTICE OF 21<sup>ST</sup> ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the **21<sup>ST</sup> (Twenty First) Annual General Meeting** of the Shareholders of **RACHANA INFRASTRUCTURE LIMITED** will be held on Monday, 26<sup>th</sup> September, 2022 at 02.00 p.m. through Video Conferencing (“VC”)/Other Audio Visual Means(“OAVM”) to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Standalone audited Financial Statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon;
2. To appoint Director in place of Mr. Ashokkumar Raval (DIN: 01646865) who retires by rotation and being eligible offers herself for re-appointment.

### **SPECIAL BUSINESS:**

#### **3. Ratification of Cost Auditor’s Remuneration FY 2022-23**

**To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of M/s Dalwadi and Associates, Partnership Firm having FRN: 000338 appointed by the Board of Directors of the Company at the meeting of Board of Directors as the Cost Auditor to conduct audit of Cost Records maintained by the Company for the financial year 2022-23, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting be and is hereby approved and ratified.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

#### **4. To Approve Related Party Transaction**

**To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (“SEBI Listing Regulations”), the applicable provisions of the Companies Act, 2013 (“Act”) read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company’s Policy on Related Party Transactions, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company to enter/continue to enter into Material Related Party Transaction(s)/ Contract(s)/Arrangement(s)/Agreement(s) (whether by way of an individual transaction or transactions taken together or series of transactions or

otherwise) with parties/entities falling within the definition of 'Related Party' under Section 2 (76) of the Act and Regulation 2 (1)(zb) of the SEBI Listing Regulations, in the course of

- (a) purchase/sale/exchange/transfer/ lease of business, raw materials, man power, and/or equipments to meet its business objectives/requirements;
- (b) transfer of any resources, services or obligations to meet its business objectives/ requirements

("Related Party Transactions") on such material terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between related parties and the Company, for each of the financial years (FY) from FY 2022-23 to FY 2026-27 i.e. five financial years, such that the maximum value of the Related Party Transactions with such parties, in aggregate, does not exceed value as specified under each category for each financial year, provided that the said contract(s)/arrangement(s)/ transaction(s) shall be carried out in the ordinary course of business of the Company and in respect of transactions with related parties under Section 2(76) of the Act, are at arm's length basis.'

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

### **By Order of the Board**

For Rachana Infrastructure Limited

Regd. Office:  
404, 4th Floor, Angel Complex,  
Nr. Income Tax, Railway Crossing,  
Nr. Oassis Hotel, Navrangpura,  
Ahmedabad- 380009,  
Gujarat,India  
CIN: U45203GJ2001PLC039725

Sd/-

**Girishkumar O. Raval**  
**Chairman & Managing Director**

**DIN: 01646747**

Place: Ahmedabad

Date: 01<sup>ST</sup> September, 2022

## Notes:-

1. Considering the on-going Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has, vide its circular no. 02/2022 dated May 05, 2022 (“MCA Circular”) and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by the Securities and Exchange Board of India (SEBI) (“the Circular”), permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without physical presence of the members at a common venue. In accordance with the MCA Circular, provisions of the Companies Act, 2013 (“the Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Since AGM is being held pursuant to the MCA Circular through VC / OAVM, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
3. Members attending AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. Members of the Company who are Institutional Investors are encouraged to attend and vote at AGM through VC /OAVM. Corporate Members intending to authorise their representatives to participate and vote through e-voting on their behalf at AGM are requested to send a certified copy of the Board Resolution / authorisation letter to the Company at rachanainfra404@gmail.com.
5. Members can join AGM through VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1,000 Members on a first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend AGM without any restriction.
6. Details of the Directors seeking appointment/re-appointment at the 21<sup>st</sup> AGM are provided in Annexure of this Notice.
7. An Explanatory statement pursuant to Section 102 of the Act, relating to Special Business to be transacted at the AGM, requiring such statement is annexed hereto.
8. Members who have not yet registered their e-mail addresses are requested to register the same with their Depository Participants (“DP”) which is mandatory for e-voting & joining in the AGM through Depository. For registration of bank details, the Member may contact their respective DPs.
9. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
10. In line with the MCA Circulars and the SEBI Circulars, the Notice of 21<sup>st</sup> AGM along with Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company’s RTA / DPs. Members may note that the Notice and Annual Report will also be available on the Company’s website i.e. [www.rachanainfra.com](http://www.rachanainfra.com), website of the Stock Exchange i.e. National Stock Exchange of India Ltd. at [www.nseindia.com](http://www.nseindia.com) and on the website of Central Depository Services Ltd. (CDSL) at [www.evotingindia.com](http://www.evotingindia.com).

11. Pursuant to the provisions of Section 91 of the Act, read with Rule 10 of Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 42 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Register of members and share transfer books of the Company will remain closed from Tuesday, 20<sup>th</sup> September, 2022 till Monday, 26<sup>th</sup> September, 2022 (both the days inclusive).
12. The Register of Directors and Key Managerial Personnel and their shareholdings maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements maintained under Section 189 of the said Act, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice upto the date of AGM (i.e.) 26<sup>th</sup> September, 2022. Members seeking to inspect such documents can send e-mail to rachanainfra404@gmail.com.
13. With a view to conserve natural resources, we request the Members to update and register their email addresses with their DPs or RTA, as the case may be, to enable the Company to send communications including Annual Report, Notices, Circulars, etc. electronically.
14. Since AGM will be held through VC / OAVM in accordance with the MCA Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
15. Instructions for e-Voting and joining the AGM are as follows:-

**A.**

**VOTING THROUGH ELECTRONIC MEANS**

- i. In terms of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations and the MCA Circulars, the Company has engaged services of Central Depository Services (India) Limited (CDSL) for providing e-voting facilities. This facility is being provided to the Members holding as on the cut-off date to exercise their right to vote by electronic means on any or all of the business specified in the accompanying Notice.
- ii. The remote e-Voting period commences on Friday, 23<sup>rd</sup> September, 2022 (9:00 a.m. IST) and ends on Sunday, 25<sup>th</sup> September, 2022 (5:00 p.m. IST). During this period, Members holding shares as on Monday, 19<sup>th</sup> September, 2022 i.e. cut-off date, may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter. Members have the option to cast their vote on any of the resolutions using the remote e-Voting facility either during the period commences 23<sup>rd</sup> September, 2022 to 25<sup>th</sup> September, 2022 or e-Voting during the AGM. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM.
- iii. The Members who have cast their vote by remote e-Voting prior to the AGM may attend / participate in the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution again.
- iv. The Board of Directors have appointed M/s Mukesh H Shah & Co. (Membership No. FCS 5827) Practicing Company Secretaries as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
- v. Results of voting shall be declared by the Chairperson or a person so authorised by him in writing on receipt of consolidated report from the Scrutiniser. The results declared along with the Scrutiniser's Report shall be placed on the Company's website i.e. www.rachanainfra.com and on the website of CDSL and shall also be communicated to the Stock Exchange where the shares of the

Company are listed.

- vi. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- vii In terms of the SEBI Circular No. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated December 09, 2020, the Individual Members holding securities in demat mode are required to vote through their demat account maintained with Depositories and DPs. Members are advised to update their mobile number and email address with their DPs in order to access e-voting facility. The procedures of login and registration is as follows:-

### Voting Process For Individual Shareholders

<b>THROUGH DEPOSITORIES</b>	
<b>Type of shareholders</b>	<b>Login Method</b>
<b>Individual Shareholders holding securities in Demat mode with CDSL</b>	<p>1) <b>Members already registered for Easi/Easiest facility may follow the below steps:</b></p> <ul style="list-style-type: none"> <li>a. Visit the following URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>b. Click on the “Login” icon and opt for “New System Myeasi” (only applicable when using the URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a>)</li> <li>c. On the new screen, enter User ID and Password. Without any further authentication, the e-voting page will be made available.</li> <li>d. Click on Company name or e-voting service provider name i.e. CDSL to cast your vote.</li> </ul> <p>2) <b>Members who have not registered for Easi/ Easiest facility may follow the below steps:</b></p> <ul style="list-style-type: none"> <li>a. To register for this facility, visit the URL: <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>b. On completion of the registration formality, follow the steps provided above.</li> </ul> <p>3) <b>Members may alternatively vote through the e-voting website of CDSL in the manner specified below:</b></p> <ul style="list-style-type: none"> <li>a. Visit the URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>b. Enter the demat account number and PAN</li> <li>c. Enter OTP received on mobile number and email registered with the demat account for authentication.</li> <li>d. Post successful authentication, the member will receive links for the respective e-voting service provider i.e.</li> </ul>

**Individual Shareholders holding securities in demat mode with NSDL**

CDSL where the e-voting is in progress.

- 4) For any technical assistance, Members may contact CDSL helpdesk by writing to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or calling at 022-23058738 or 022-23058542-43.
- 1) **Members already registered for IDeAS facility may follow the below steps:**
    - i. Visit the following URL: <https://eservices.nsdl.com>
    - ii. On the home page, click on the “Beneficial Owner” icon under the ‘IDeAS’ section.  
  
On the new screen, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”
    - iii. under e-voting services.
    - iv. Click on Company name or e-voting service provider name i.e. CDSL and you will be re-directed to CDSL website for casting your vote.
  - 2) **Members who have not registered for IDeAS facility may follow the below steps:**
    - a) To register for this facility, visit the URL:<https://eservices.nsdl.com>
    - b) On the home page, select “Register Online for IDeAS”
    - c) On completion of the registration formality, follow the steps provided above.
  - 3) **Members may alternatively vote through the e-voting website of NSDL in the manner specified below:**
    - a) Visit the URL: <https://www.evoting.nsdl.com/>
    - b) Click on the “Login” icon available under the “Shareholder/Member” section.
    - c) Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP, as applicable, and the verification code shown on the screen.
    - d) Post successful authentication, you will be redirected to the NSDL IDeAS site wherein you can see the e-voting page.
    - e) Click on company name or e-Voting service provider name i.e. CDSL and you will be redirected to CDSL website for casting your vote.
  - 4) For any technical assistance, Members may contact NSDL helpdesk by writing to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or calling the toll free no.: 18001020990 or 1800224430.

**Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.**

#### THROUGH DEPOSITORY PARTICIPANT(S)

Members may alternatively log-in using the credentials of the demat account through their Depository Participant(s) registered with NSDL/CDSL for the e-voting facility. On clicking the e-voting icon, members will be redirected to the NSDL/CDSL site, as applicable, on successful authentication. Members may then click on Company name or e-voting service provider name i.e. CDSL and will be redirected to CDSL website for casting their vote.

viii

#### Voting Process For Non-individual shareholders

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL            16 digits beneficiary ID
  - b. For NSDL            8 Character DP ID followed by 8 Digits Client ID
- 4) Next enter the Image Verification as displayed and Click on Login
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:-
 

<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (viii)</li> </ul>

- ix After entering these details appropriately, click on “SUBMIT” tab
- x Shareholders will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi Click on the EVSN: - 220901072 for the relevant Rachana Infrastructure Limited on which you choose to vote.
- xii On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xvii If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii Facility for Non – Individual Shareholders and Custodians –Remote Voting**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [rachanainfra404@gmail.com](mailto:rachanainfra404@gmail.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

## **B INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting
3. Members are encouraged to join the meeting through Laptops/Desktops/iPads for better experience. Further, the Members will be required to allow camera and use Internet with good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [info@rachanainfra.com](mailto:info@rachanainfra.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [info@rachanainfra.com](mailto:info@rachanainfra.com). These queries will be replied to by the company suitably by email.
6. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
7. Only those Members, who will be present in AGM through VC / OAVM facility and have not casted their vote on the resolutions through remote e-voting prior to meeting day and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during AGM.
8. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**Contact Details:-**

**Company** Rachana Infrastructure Limited  
404, 405, 4th Floor, Angel Complex,  
Nr. Income Tax Railway Crossing,  
Nr. Oasis Hotel, Navrangpura,  
Ahmedabad Gujarat 380009 India  
Ph:-07926560327, e-mail:- rachanainfra404@gmail.com Website:- rachanainfra.com

**RTA** Bigshare Services Private Limited  
A-802 Samudra Complex,  
Off CG Road, Near Girish Cold Drinks,  
Navrangpura, Ahmedabad - 380009  
Email:- bssahd@bigshareonline.com Phone:-079-40024135 Website: www.bigshareonline.com

**ANNEXTURE TO THE NOTICE OF AGM  
DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AT THE  
ANNUAL GENERAL MEETING**

Name of the Director	ASHOKKUMAR RAVAL
Directors Identification Number [DIN]	01646865
Date of Birth and Age	04/08/1961(61 Years)
Date of appointment on the Board	29/06/2001
Qualifications	B.Com., M.com, Doctor of Philosophy
Directorship held in other Public Companies (excluding foreign, private and Section 8 companies)	Nil
Memberships/ Chairmanships of Committee of other public companies ( <i>includes only Audit Committee &amp; Stakeholders' Relationship Committee</i> )	Nil
Number of shares held in the Company	6,85,998
Expertise in Specific Area	Legal and Other Administration
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company:	Mr. Ashok Raval is brother of Mr. Girish O Raval

**By Order of the Board of Directors  
For Rachana Infrastructure Limited**

**Place: Ahmedabad  
Date: 01st September, 2022**

sd/-  
**Girishkumar O. Raval  
Chairman & Managing Director  
DIN: 01646747**

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No. 3**

The Board at its meeting held on 01<sup>st</sup> September, 2022 on the recommendation of Audit Committee, has appointed M/s Dalwadi and Associates, Partnership Firm having FRN: 000338, Cost Accountant, Ahmedabad as the Cost Auditor to conduct the audit of cost records of the Company for the financial year 2022-23 on a remuneration of ₹ 60,000/- (Rupees Sixty Thousand) (excluding Taxes) plus reimbursement of out-of-pocket expenses and conveyance.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the shareholders of the Company. The Board recommends the aforesaid resolution for approval of the members.

None of the Directors, Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested in the aforesaid resolution except to the extent of their shareholding.

### **Item No. 4**

The Securities and Exchange Board of India (“SEBI”), vide its notification dated November 9, 2021, has notified SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 (“Amendments”) introducing amendments to the provisions pertaining to the Related Party Transactions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”). The aforesaid amendments inter-alia included replacing of current threshold i.e. 10% (ten percent) of the listed entity’s consolidated turnover, for determination of material Related Party Transactions requiring prior Shareholders’ approval with the threshold of lower of Rs. 1,000 crore (Rupees One thousand crore) or 10% (ten percent) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity. Accordingly, the threshold for determination of material Related Party Transactions under Regulation 23(1) of the SEBI Listing Regulations has been reduced with effect from April 1, 2022.

In view of the changes in the threshold for determining the related party transactions that require prior shareholder approval and considering the fact that the list of related parties will change dynamically with no action on the part of the Company and to facilitate seamless contracting and rendering/availing of product and services between the Company and “related parties”, the Company seeks the approval of the shareholders to approve entering into contracts/arrangements within the thresholds and conditions mentioned in the resolution. All the contracts/arrangements and the transactions with “related parties” are reviewed and approved by the Audit Committee. Further, the transactions that require testing of arm’s length pricing are certified by our Statutory Auditors for at arm’s length.

The details of transactions that require approval are given below

## 1. Promoter

Sr No.	Description	Particulars
1	Name of Related Party	Mr. Girish Raval
2	Nature of Relationship	Promoter which are covered under Section 2(69)(a) of Companies Act, 2013 and Managing Director of the Company.
3	Type and Particulars of the proposed transaction	a) Loan Taken
		b) Loan Repaid
		c) Interest Paid
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the Company operates in. Monetary value of transactions with <b>Mr. Girish Raval</b> is subject to a maximum of Rs. 50 Crores per annum through contracts/arrangements which are entered for duration of up to Five years.
5	Tenure of the transaction	Contracts/arrangements with a duration up to 5 years
6	Value of the proposed transaction	Rs. 50 Crores per annum
7	Benefits of the proposed transaction	As <b>Mr. Girish Raval</b> is a Managing Director of the Company it would help the Company to get new projects. The Company would get an administrative support also which would make the transactions between the 2 Parties and Outsiders too.
8	Details of the valuation report or external party report (if any) enclosed with the Notice	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors.
9	Name of the Director or Key Managerial Personnel, who is related	Mr. Girish Raval is itself a covered under the promoters which make it a related party.
10	Following additional disclosures to be made in case loans, inter-corporate deposits, advances or investments made or given	A Source of funds: - NA
		B In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investment: • Nature of indebtedness • cost of funds and • tenure of the indebtedness: - NA
		C Terms of the loan, inter-corporate deposits, advances or investment made or given: - NA

## 2. Promoter

Sr	Description	Particulars
----	-------------	-------------

No.		
1	Name of Related Party	Mrs. Bhaminiben Mehta
2	Nature of Relationship	Promoter which are covered under Section 2(69)(a) of Companies Act, 2013 and Managing Director of the Company.
3	Type and Particulars of the proposed transaction	a) Loan Taken
		b) Loan Repaid
		c) Interest Paid
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the Company operates in. Monetary value of transactions with <b>Mrs. Bhaminiben Mehta</b> is subject to a maximum of Rs. 50 Crores per annum through contracts/arrangements which are entered for duration of up to Five years.
5	Tenure of the transaction	Contracts/arrangements with a duration up to 5 years
6	Value of the proposed transaction	Rs. 50 Crores per annum
7	Benefits of the proposed transaction	As <b>Mrs. Bhaminiben Mehta</b> is a Director of the Company it would help the Company an administrative support which would make the transactions between the 2 Parties and Outsiders too.
8	Details of the valuation report or external party report (if any) enclosed with the Notice	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors.
9	Name of the Director or Key Managerial Personnel, who is related	Mrs. Bhaminiben Mehta is itself a covered under the promoters which make it a related party.
10	Following additional disclosures to be made in case loans, inter-corporate deposits, advances or investments made or given	A Source of funds: - NA
		B In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investment: • Nature of indebtedness • cost of funds and • tenure of the indebtedness: - NA
		C Terms of the loan, inter-corporate deposits, advances or investment made or given: - NA

### 3. Promoter

Sr No.	Description	Particulars
1	Name of Related Party	Mr. Ashok Raval
2	Nature of Relationship	Relative of Promoter which are covered under Section 2(69)(a) of

		Companies Act, 2013 and Managing Director of the Company. Mr. Ashok Raval is Brother of Mr. Girish Raval.	
3	Type and Particulars of the proposed transaction	a)	Interest Paid
		b)	Loan Repaid
		c)	Loan Taken
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the Company operates in. Monetary value of transactions with <b>Mr. Ashok Raval</b> is subject to a maximum of Rs. 50 Crores per annum through contracts/arrangements which are entered for duration of up to Five years.	
5	Tenure of the transaction	Contracts/arrangements with a duration up to 5 years	
6	Value of the proposed transaction	Rs. 50 Crores per annum	
7	Benefits of the proposed transaction	As <b>Mr. Ashok Raval</b> is a Director of the Company it would help in an administrative support also which would make the transactions between the 2 Parties and Outsiders too.	
8	Details of the valuation report or external party report (if any) enclosed with the Notice	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors.	
9	Name of the Director or Key Managerial Personnel, who is related	Mr. Ashok raval is itself a covered under the relative of promoters which make it a related party.	
10	Following additional disclosures to be made in case loans, inter-corporate deposits, advances or investments made or given	A	Source of funds :- NA
		B	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment: • Nature of indebtedness • cost of funds and • tenure of the indebtedness: - NA
		C	Terms of the loan, inter-corporate deposits, advances or investment made or given: - NA

#### 4. Promoter Group

Sr No.	Description	Particulars
1	Name of Related Party	Mr. Jaydeep Raval
2	Nature of Relationship	Relative of Promoter which are covered under Section 2(69)(a) of Companies Act, 2013 and Managing Director of the Company.

3	Type and Particulars of the proposed transaction	a)	Remuneration Paid
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the Company operates in. Monetary value of transactions with <b>Mr. Jaydeep Raval</b> is subject to a maximum of Rs. 1 Crore per annum through contracts/arrangements which are entered for duration of up to Five years.	
5	Tenure of the transaction	Contracts/arrangements with a duration up to 5 years	
6	Value of the proposed transaction	Rs. 1 Crore per annum	
7	Benefits of the proposed transaction	As <b>Mr. Jaydeep Raval</b> is a Project Manager of the Company it would help to get projects and also which would make the transactions between the 2 Parties and Outsiders too.	
8	Details of the valuation report or external party report (if any) enclosed with the Notice	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors.	
9	Name of the Director or Key Managerial Personnel, who is related	<b>Mr. Jaydeep Raval</b> is son of Mr. Girish Raval and Mrs. Bhamini Mehta.	
10	Following additional disclosures to be made in case loans, inter-corporate deposits, advances or investments made or given	A	Source of funds: - NA
		B	In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investment: • Nature of indebtedness • cost of funds and • tenure of the indebtedness: - NA
		C	Terms of the loan, inter-corporate deposits, advances or investment made or given: - NA

## 5. Promoter Group

Sr No.	Description	Particulars	
1	Name of Related Party	Mrs. Ishita Raval	
2	Nature of Relationship	Relative of Promoter which are covered under Section 2(69)(a) of Companies Act, 2013 and Managing Director of the Company.	
3	Type and Particulars of the proposed transaction	a)	Remuneration Paid
4	Nature, duration/tenure, material terms, monetary value and particulars of	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the Company operates in. Monetary value of transactions with <b>Mrs. Ishita Raval</b> is subject to a maximum of Rs. 1 Crore per annum through	

	contract/arrangement	contracts/arrangements which are entered for duration of up to Five years.	
5	Tenure of the transaction	Contracts/arrangements with a duration up to 5 years	
6	Value of the proposed transaction	Rs. 1 Crore per annum	
7	Benefits of the proposed transaction	As <b>Mrs. Ishita Raval</b> is a Chief Financial Officer of the Company it would help managing finance and day to day administration of cash flow and also which would make the transactions between the 2 Parties and Outsiders too.	
8	Details of the valuation report or external party report (if any) enclosed with the Notice	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors.	
9	Name of the Director or Key Managerial Personnel, who is related	<b>Mrs. Ishita Raval</b> is Daughter in law of Mr. Girish Raval and Mrs. Bhamini Mehta and wife of Mr. Brijesh Raval.	
10	Following additional disclosures to be made in case loans, inter-corporate deposits, advances or investments made or given	A	Source of funds: - NA
		B	In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investment: • Nature of indebtedness • cost of funds and • tenure of the indebtedness: - NA
		C	Terms of the loan, inter-corporate deposits, advances or investment made or given: - NA

## 6. Promoter Group

Sr No.	Description	Particulars	
1	Name of Related Party	Mrs. Devanshi Dave	
2	Nature of Relationship	Relative of Promoter which are covered under Section 2(69)(a) of Companies Act, 2013 and Managing Director of the Company.	
3	Type and Particulars of the proposed transaction	a)	Remuneration Paid
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the Company operates in. Monetary value of transactions with <b>Mrs. Devanshi Dave</b> is subject to a maximum of Rs. 1 Crores per annum through contracts/arrangements which are entered for duration of up to Five years.	
5	Tenure of the transaction	Contracts/arrangements with a duration up to 5 years	

6	Value of the proposed transaction	Rs. 1 Crores per annum	
7	Benefits of the proposed transaction	As <b>Mrs. Devanshi Dave</b> is a Procurement Manager of the Company it would help Purchase of Plants and Machinery which would make the transactions between the 2 Parties and Outsiders too.	
8	Details of the valuation report or external party report (if any) enclosed with the Notice	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors.	
9	Name of the Director or Key Managerial Personnel, who is related	<b>Mrs. Devanshi Dave</b> is Daughter in law of Mr. Girish Raval and Mrs. Bhamini Mehta and wife of Mr. Jaydeep Raval.	
10	Following additional disclosures to be made in case loans, inter-corporate deposits, advances or investments made or given	A	Source of funds: - NA
		B	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment: • Nature of indebtedness • cost of funds and • tenure of the indebtedness: - NA
		C	Terms of the loan, inter-corporate deposits, advances or investment made or given: - NA

## 7. Promoter Group

Sr No.	Description	Particulars	
1	Name of Related Party	Mr. Brijesh Raval	
2	Nature of Relationship	Relative of Promoter which are covered under Section 2(69)(a) of Companies Act, 2013 and Managing Director of the Company.	
3	Type and Particulars of the proposed transaction	a)	Remuneration Paid
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the Company operates in. Monetary value of transactions with <b>Mr. Brijesh Raval</b> is subject to a maximum of Rs. 1 Crore per annum through contracts/arrangements which are entered for duration of up to Five years.	
5	Tenure of the transaction	Contracts/arrangements with a duration up to 5 years	
6	Value of the proposed transaction	Rs. 1 Crore per annum	
7	Benefits of the proposed transaction	As <b>Mr. Brijesh Raval</b> is a Project Manager of the Company it would help to get projects and also which would make the transactions between the 2 Parties and Outsiders too.	

8	Details of the valuation report or external party report (if any) enclosed with the Notice	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors.	
9	Name of the Director or Key Managerial Personnel, who is related	<b>Mr. Brijesh Raval</b> is son of Mr. Girish Raval and Mrs. Bhamini Mehta.	
10	Following additional disclosures to be made in case loans, inter-corporate deposits, advances or investments made or given	A	Source of funds: - NA
		B	In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investment: • Nature of indebtedness • cost of funds and • tenure of the indebtedness: - NA
		C	Terms of the loan, inter-corporate deposits, advances or investment made or given: - NA

## 8. Promoter Group Company

Sr No.	Description	Particulars
1	Name of Related Party	Bhamini Infrastructure Private Limited
2	Nature of Relationship	Promoter group Company and here promoter which are covered under Section 2(69)(a) of Companies Act, 2013
3	Type and Particulars of the proposed transaction	<ul style="list-style-type: none"> <li>a) Hiring Charges Paid</li> <li>b) Sale of Goods,</li> <li>c) Interest Received</li> <li>d) Acceptance of Deposit.</li> <li>e) Repayment of Deposit</li> <li>f) Any transfer of resources, services or obligations to meet its objectives/requirements</li> </ul>
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the Company operates in. Monetary value of transactions with <b>Bhamini Infrastructure Private Limited</b> is subject to a maximum of Rs. 100 Crores per annum through contracts/arrangements which are entered for duration of up to Five years.
5	Tenure of the transaction	Contracts/arrangements with a duration upto 5 years
6	Value of the proposed transaction	Rs. 100 Crores per annum
7	Benefits of the proposed	As Bhamini Infrastructures Private Limited is a Sister Concern of the Company it would help the Company to get new projects. The

	transaction	Company would get an administrative support also which would make the transactions between the 2 Companies and Outsiders too.	
8	Details of the valuation report or external party report (if any) enclosed with the Notice	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors.	
9	Name of the Director or Key Managerial Personnel, who is related	Bhamini Infrastructures Private Limited is itself a covered under the promoter Group Company which make it a related party and in addition to the above Mrs. Ishita Prakashkumar Raval, CFO of Rachana Infrastructure Limited is a Director of Bhamini Infrastructures Private Limited. Hence it is an Enterprise over which KMP and/or his relative is able to exercise significant influence.	
10	Following additional disclosures to be made in case loans, inter-corporate deposits, advances or investments made or given	A	Source of funds: - NA
		B	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment: • Nature of indebtedness • cost of funds and • tenure of the indebtedness: - NA
		C	Terms of the loan, inter-corporate deposits, advances or investment made or given: - NA

## 9. Promoter Group Trust

Sr No.	Description	Particulars
1	Name of Related Party	Om Education Trust
2	Nature of Relationship	Promoter Group Entity and here promoter which are covered under Section 2(69)(a) of Companies Act, 2013
3	Type and Particulars of the proposed transaction	a) Interest Paid b) Rent Income, c) Acceptance of Deposit e) Repayment of Deposit f) Any transfer of resources, services or obligations to meet its objectives/requirements
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the Company operates in. Monetary value of transactions with <b>Om Education Trust</b> is subject to a maximum of Rs. 100 Crores per annum through contracts/arrangements which are entered for duration of up to Five years.
5	Tenure of the transaction	Contracts/arrangements with a duration upto 5 years

6	Value of the proposed transaction	Rs. 100 Crores per annum	
7	Benefits of the proposed transaction	As Om Education Trust is a Sister Concern of the Company. Company running this entity for the social good and for providing support to the education activity. The Trust would get an administrative support also which would make the transactions between the 2 Entities and Outsiders too.	
8	Details of the valuation report or external party report (if any) enclosed with the Notice	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors.	
9	Name of the Director or Key Managerial Personnel, who is related	Om Education Trust is itself a covered under the promoter Group Trust which make it a related party and in addition to the above Mr. Girish Raval, Mrs. Bhaminiben Mehta, Mr. Ashok Raval Directors of Rachana Infrastructure Limited is a Trustees of Om Education Trust. Hence it is an Enterprise over which KMP and/or his relative is able to exercise significant influence.	
10	Following additional disclosures to be made in case loans, inter-corporate deposits, advances or investments made or given	A	Source of funds: - NA
		B	In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investment: • Nature of indebtedness • cost of funds and • tenure of the indebtedness: - NA
		C	Terms of the loan, inter-corporate deposits, advances or investment made or given: - NA

None of the Directors or Key Managerial Personnel of the Company or its respective relatives, other than as mentioned above, is concerned or interested, in the resolution

The said transaction(s)/contract(s)/arrangement(s) have been recommended by the Audit Committee and Board of Directors of the Company for consideration and approval by the Members.

It is pertinent to note that no related party shall vote to approve this Resolution whether the entity is a related party to the particular transaction or not.

The Board, therefore, recommends resolutions set out under business item no. 4 for approval of the shareholders by way of Special Resolutions

**By Order of the Board of Directors  
For Rachana Infrastructure Limited**

**Place: Ahmedabad  
Date: 01st September, 2022**

sd/-  
**Girishkumar O. Raval**  
**Chairman & Managing Director**  
**DIN: 01646747**

## DIRECTOR'S REPORT

**Dear Members,**

Your directors take pleasure in presenting the 21<sup>st</sup> Annual Report on business and operations along with Audited Financial Statements and the Auditor's report of your Company for the financial year ended 31<sup>st</sup> March, 2022.

### 1. Financial Results

The Financial Performance of the company for the year ended 31<sup>st</sup> March; 2022 is summarized as below:

(Rs. in Thousands except EPS)

Particulars for the year ended	March 31,2022	March 31,2021
<b>Net revenue from Operations (Sales)</b>	<b>660615.81</b>	<b>1059117.85</b>
Profit Before Depreciation, Exceptional Item and Tax	49779.07	76077.54
Less: Depreciation	20491.06	22893.67
<b>Profit Before Extra-ordinary Items and Tax</b>	<b>29288.01</b>	<b>53183.87</b>
Extra Ordinary Items	0.00	0.00
<b>Profit Before Tax</b>	<b>29288.01</b>	<b>53183.87</b>
Tax Expense		
-Current Tax	6250	10000
Less: MAT Credit Receivable	0.00	0.00
-Deferred Tax	960.55	(3816.46)
<b>Profit After Tax</b>	<b>22077.46</b>	<b>47000.33</b>
EPS (Basic) (In Rs.)	1.40	2.98
EPS (Diluted) (In Rs.)	1.40	2.98

### 2. Overview Of Company's Financial Performance:

During the year under review, your Company has achieved a total net sale of Rs. 660615.81 thousand and achieved Net Profit after Tax (NP) of Rs. 22077.46 thousand. Your directors are optimistic about the performance of the Company in the coming years.

## 3. Share Capital

The authorised share capital of the Company as on date of balance sheet is Rs. 22,50,00,000/- divided into 2,25,00,000 equity shares of Rs.10/- each.

During the Year authorize share capital increased from Rs. 5,50,00,000/- to Rs. 22,50,00,000/-

The paid-up share capital of the Company as on date of balance sheet is Rs. 15,78,00,000/- divided into 1,57,80,000 equity shares of Rs.10/- each.

During the year Bonus shares issued in the proportion of 2:1 (Two Bonus Shares for Every One Existing Shares) on vide Members resolution dated 13.01.2022.

After financial year and before signing of this report Company has come up with initial public offer of 56,50,000 equity shares of face value of Rs.10/- each for cash at a price of Rs. 135 per equity share including a share premium of Rs.125 per equity share (the "issue price") Aggregating to Rs.7627.50 lacs comprising of fresh issue of 28,25,000 equity shares of Rs. 135 per equity shares Aggregating to Rs. 3813.75 lacs and offer for sale of 28,25,000 equity shares by selling shareholders of Rs. 135 per equity shares Aggregating to Rs. 3813.75 lacs, of which 2,84,000 equity shares of face value of Rs.10 each will for cash at a price of Rs.135 per equity Share including a share premium of Rs.125 per equity share aggregating to Rs. 383.40 lacs will be reserved for subscription by market Maker to the issue. For more detail prospectus is available at website <https://rachanainfra.com/initial-public-offer/>.

### a) Status of shares

As the members are aware, the Company's shares are compulsorily tradable in electronic form as on March 31, 2022, **100.00%** of the Company's total paid up capital representing 1,57,80,000 shares are in de-materialized form.

### b) Other shares

Your company has not issued any equity shares with differential rights, sweat equity shares, employee stock options and did not purchase its own shares. Hence there is no information to be provided as required under Rule 4(4), Rule 8(13), Rule 12(9) and Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 and Section 62 of the Companies Act 2013 respectively.

## 4. Dividend

Your directors do not recommend any dividend for the financial year ended 31st March, 2022.

## 5. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

Since there was no unpaid/unclaimed dividend, the provision of Section 125 of the Companies Act, 2013 do not apply.

## 6. Change in the nature of business, if any-

There is no change in the nature of business carried out by the Company in the Year 2021-22.

## 7. Amounts Transferred to Reserves:

For the financial year ended 31st March, 2022 of the Company propose to transfer a Sum of ₹ 2,20,77,459.22 to Reserve during the financial year ended 31.03.2022.

## 8. Subsidiary, Joint Ventures and Associate Companies

During the year under review, your company has no subsidiaries, joint ventures or associate companies.

## 9. Public Deposit

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 (“the Act”) read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review. Hence, the requirement for furnishing the details of deposits which are not in compliance with Chapter V of the Act is not applicable.

## 10. Particulars of loan, Guarantees or Investment made under Section 186

During the period under review, the Company has not granted any Loans, given any Guarantees or provided Security or made Investments in terms of provisions of section 186 of the Companies Act, 2013.

## 11. Annual Return

In accordance with the Companies Act, 2013, the annual return in the prescribed format is available at <https://rachanainfra.com/annual-return/>

## 12. Directors & Key Management Personnel

### I. Composition of Board & Board Meetings

The Board of Directors of the Company has an optimum combination of Executive, Non Executive and Independent Directors. As on the date of this report, the Board comprises of 3 (Six) Directors, out of which 1 is Executive Directors, 2 is Non-Executive Director and 3 are Independent Directors. The Chairman of the Board is an executive Director. The Board of Directors duly met ten (18) times during the year.

#### MEETING OF BOARD OF DIRECTORS:

Twelve Board Meeting were held during the Financial Year ended 31.03.2022 The Maximum gap between the Meetings was within the limit prescribed under the Companies Act, 2013.

SN	Date of Meeting	Board Strength	No. of Directors Present
1.	05/04/2021	6	5
2.	14/04/2021	6	5
3.	13/05/2021	6	5
4.	21/06/2021	6	5
5.	27/07/2021	6	5
6.	01/09/2021	6	5
7.	17/09/2021	6	5
8.	25/10/2021	6	5
9.	16/11/2021	6	5
10.	22/11/2021	6	5
11.	15/12/2021	6	5
12.	25/12/2021	6	5
13.	27/01/2022	6	5
14.	16/02/2022	6	5
15.	25/02/2022	6	5
16.	28/02/2022	6	5
17.	05/03/2022	6	5
18.	22/03/2022	6	5

The Composition, category and attendance of each Director at the Board and Annual General Meeting and Number of other Directorship and Chairmanship/ Membership of Committee of each Director in various companies is as follows: -

Name of Director	Designation	Category	No of Board Meetings held during the year	No of Board Meetings attended during the year	Attendance at the Last AGM
Girishkumar Ochchhavlal Raval	CMD	Promoter	18	18	Yes
Bhaminiben Baldevprasad Mehta	NED	Promoter	18	18	Yes
Ashokkumar Raval	NED	Promoter Group	18	18	Yes
Kalpita Manishbhai Dave	NED	Independent	18	18	Yes
Saureen Bharatkumar Patel	NED	Independent	18	18	Yes
Alpaben Zala (Till 16/02/2022)	NED	Independent	14	00	Yes
Bharatkumar Chaudhary (w.e.f 16/02/2022)	NED	Independent	04	00	Not Applicable

\*CMD- Chairman and Managing Director

NED- Non-Executive Director

## II. Appointments:

During the financial year Ms. Alpaben Chauhan regularised w.e.f. 30/11/2021 as an Independent Director in the meeting of the shareholders dated 30/11/2021.

During the financial year Mr. Bharatkumar Dipakbhai Chaudhary was appointed as an additional Independent Director w.e.f. 16/02/2022 subject to the approval of shareholders in the ensuing general meeting.

Later on, In the Meeting of Shareholders dated 02/03/2022 Mr. Bharatkumar Dipakbhai Chaudhary was regularised as an Independent Director w.e.f. 02/03/2022.

### III. Cessations:

During the year under review, Ms. Alpaben Chauhan was resigned from the office of the Independent Director dated 16.02.2022.

### IV. Retirement by Rotation:

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment & Qualification of Directors) Rules, and Companies Articles of Association, Mr. Ashokkumar Raval (DIN: 01646865), Non-Executive Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Necessary resolution for his re-appointment is placed before the shareholder for approval.

### V. Profile of Directors seeking appointment / reappointment:

As required under regulation 36(3) of SEBI (LODR), 2015, particulars of the Directors retiring and seeking reappointment at the ensuing Annual General Meeting is annexed to the notice convening 21<sup>st</sup> Annual General Meeting.

### VI. Key Managerial Personnel:

As on the dated 31/03/2022, the following persons are the Key Managerial Personnel(s) of the Company:

- a) Mr. Girishkumar Ochchhavlal Raval, Chairman & Managing Director
- b) Ms. Ishita Prakashkumar Raval, Chief Financial Officer
- c) Ms. Gaurav Dixit, Company Secretary (Upto 28<sup>th</sup> October, 2021)
- d) Mr. Smit Dhanvantkumar Shah, Company Secretary & Compliance Officer (w.e.f. 01<sup>st</sup> February, 2022)

### VII. Declaration from Independent Director:

All the Independent Directors of the Company have given their declarations stating that they meet the criteria of independence as prescribed under the Section 149(6) of the Companies Act, 2013 read with the rules made there under and read with Regulation 16(1)(b) of the Listing Regulations in the opinion of the Board, the Independent Directors meet the said criteria.

During the year under review the Independent Directors duly met pursuant to the provisions as specified in Schedule IV of the Companies Act, 2013 and the quorum was present throughout the meeting.

## 13. BOARD COMMITTEES

Your Company has four Committees of the Board, namely:

- I. Audit Committee
- II. Nomination and Remuneration Committee
- III. Stakeholders' Relationship Committee
- IV. Corporate Social Responsibility Committee

Details of all the Committees along with their composition, terms of reference and meetings held during the year are provided in detail as below:

### I. Audit Committee:

The Audit Committee is duly constituted vide Board Resolution dated 20<sup>th</sup> December, 2019 in accordance with SEBI (LODR) Regulations 2015 and Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 as amended from time to time and Audit Committee reconstituted on February 28, 2022 as per the applicable provisions of the Section 177 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended). The reconstituted Audit Committee comprises following members. (There are no any changes in the members of the Committee but changes are in the terms and conditions of the committee only)

Name	Category	Position	Number of meetings held	Number of meetings attended
Mr. Saureen Bharatkumar Patel	Independent Director	Chairman	04	04
Mr. kalpit Manishbhai Dave	Independent Director	Member	04	04
Ms. Bhaminiben Baldevprasad Mehta	Director	Member	04	04

Two third of the members are Independent Directors and all the members are financially literate. The composition, role, functions and powers of the Audit Committee are in line with the requirements of applicable laws and regulations. The Audit Committee shall oversee financial reporting process and disclosures, review financial statements, internal audit reports, related party transactions, financial and risk management policies, auditors' qualifications, compliance with Accounting Standards etc. and oversee compliance with Stock Exchanges and legal requirements concerning financial statements and fixation of audit fee as well as payment for other services etc.

Four Audit Committee meetings were held during the year 2021-22 on 05/04/2021, 17/09/2021, 22/11/2021 and 28/02/2022.

## II. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted vide Board Resolution dated December 20, 2019 in accordance with SEBI (LODR) Regulations 2015 and Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 as amended from time to time and reconstituted on February 28, 2022. The Nomination and Remuneration Committee comprises the following members:

Before Reconstitution:

Name	Category	Position	No. of meetings held	No. of meetings attended
Mr. Saureen Bharatkumar Patel	Independent Director	Chairman	04	04
Mr. Dave Kalpit Manishbhai	Independent Director	Member	04	04
Mr. Ashokkumar Raval	Non-Executive Director	Member	04	04

After Reconstitution

Name	Category	Position	No. of meetings held	No. of meetings attended
Mr. Bharatkumar Dipakbhai Chaudhary	Independent Director	Chairman	NA	NA
Mr. Kalpit Manishbhai Dave	Independent Director	Member	NA	NA
Mr. Saureen Bharatkumar Patel	Non-Executive Director	Member	NA	NA

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013 formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration of Directors, Key Managerial Personnel and other employees. The said

policy is available on the Website of the Company at <https://rachanainfra.com/policies/>.

One Nomination and Remuneration Committee Meeting was held during the year 2021-22 on 05/04/2021, 25/10/2021, 27/01/2022 and 16/02/2022.

### III. Stakeholders Relationship Committee

The Stakeholders Relationship Committee has formed as per Section 178 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated February 28, 2022. The constituted Stakeholders Relationship Committee comprises the following members:

Name	Category	Position	No. of meetings held	No. of meetings attended
Mr. KALPIT MANISHBHAI DAVE	Independent Director	Chairman	NA	NA
Mr. SAUREEN BHARATKUMAR PATEL	Independent Director	Member	NA	NA
Ms. BHAMINIBEN BALDEVPRASAD MEHTA	Non-Executive Director	Member	NA	NA

The Stakeholders Relationship Committee looks into shareholders' complaints related to transfer of shares, non-receipt of balance sheet besides complaints from SEBI, Stock Exchanges, Court and various Investor Forums. It oversees the performance of the Registrars and Transfer Agent, and recommends measures for overall improvement in the quality of investor services. The Company is in compliance with the SCORES, which has initiated by SEBI for processing the investor complaints in a centralized web-based redress system and online redressal of all the shareholders complaints.

No any meetings were held during the year 2021-22 as committee was constituted on dated 28/02/2022.

### IV. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has formed as per Section 135 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated December 20, 2019. The constituted Corporate Social Responsibility Committee comprises the following members:

- A. To recommend the policy on Corporate Social Responsibility (CSR) and Implementation of the CSR Projects or program to be undertaken by the

company as per the CSR Policy for consideration and approval by the Board of Directors.

- B. Recommend the amount of expenditure to be incurred on the corporate social responsibility activities; and
- C. Monitor the implementation of the Company's corporate social responsibility policy.

During the financial year ended 31<sup>st</sup> March, 2022, the Company has done CSR expenditure of Rs. 12,07,500 (Rupees Twelve Lacs Seven Thousand Five Hundred Only). The CSR initiative of the Company is mainly under promotion of Education, Help to poor people by providing food in COVID Pandemic.

The Corporate Social Responsibility Committee comprises the following:

Name	Category	Position	No. of meetings held	No. of meetings attended
Mr. KALPIT MANISHBHAI DAVE	Independent Director	Chairman	2	2
Mr. SAUREEN BHARATKUMAR PATEL	Independent Director	Member	2	2
Ms. BHAMINIBEN BALDEVPRASAD MEHTA	Director	Member	2	2

Two meetings were held during the year 2021-22 on 05/04/2021 and 22/11/2021.

The Company's CSR Policy statement and Annual Report on the CSR activities undertaken during the financial year ended 31<sup>st</sup> March, 2022 in accordance with section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) is set out in "**Annexure - A**" to this Report.

#### 14. Compliance Officer

Mr. Gaurav Dixit was Compliance Officer of the Company up to 28<sup>th</sup> October, 2021 and Mr. Smit Dhanvantkumar Shah is w.e.f 01 February, 2022 and presently Compliance Officer of the Company who is also designated as Company Secretary of the Company.

#### 15. Statements on Formal Annual Evaluation of Board

Nomination and Remuneration Committee annually evaluates the performance of individual Directors, Committees, and of the Board as a whole in accordance with the formal system adopted by it. Further, the Board also regularly in their meetings held for various purposes evaluates the performance of all the Directors, committees and the Board as a whole. The Board considers the recommendation made by Nomination and Remuneration Committee in regard to

the evaluation of board members and also tries to discharge its duties more effectively. Each Board member's contribution, their participation was evaluated and the domain knowledge they bring. They also evaluated the manner in which the information flows between the Board and the Management and the manner in which the board papers and other documents are prepared and furnished.

## **16. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report**

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of report.

## **17. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concerns status and Company's operations in future.

## **18. Auditors**

### **1. Statutory Auditors:**

M/s. Ankit Chokshi & Co., Chartered Accountants [FRN-121722W] Ahmedabad were appointed as the Statutory Auditors of the Company for a term of five consecutive years at the 19th Annual General Meeting held on December 30, 2020 till the conclusion of 24th AGM to be held in the Calendar year 2025 i.e for FY 2020-2021 to 2024-2025 at a remuneration of ₹ 235,000 (Rupees Two Lakh Thirty Five Thousand Only) to conduct the audit for the Financial Year 2020-2021 payable in One or more Instalments plus Goods and Services tax as applicable.

In accordance with the Companies Amendment Act, 2017, enforced on 7<sup>th</sup> May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Board has reviewed the Statutory Auditors' Report on the Accounts of the Company. The observations and comments, appearing in the Auditors' Report are self-explanatory and do not call for any further explanation/ clarification by the Board of Directors as provided under section 134 of the Act.

### **2. Cost Auditors:**

Pursuant to provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 framed thereunder and the Cost Audit orders issued from time to time, the Board of Directors has appointed M/s Dalwadi and Associates, Cost Accountants (FRN: 000338) as a Cost Auditors to conduct the audit of cost records of the Company. The Company has received consent from M/s Dalwadi and Associates, Cost Accountants, to act as the Cost Auditor for conducting audit of the cost records for the Company along with a certificate confirming their independence and arm's length relationship.

The Ordinary Resolution seeking approval from members for remuneration payable to the said Cost Auditor forms a part of the Notice of this Annual General Meeting.

### 3. Secretarial Auditors:

In terms of Section 204 of the Act and Rules made there under, Mukesh H Shah & Co., Practicing Company Secretary has been appointed as Secretarial Auditor of the Company for FY 2022-23. No report for the FY 2021-22 has been issued by the Auditor because during the said year the Company did not fulfilled the criteria mention u/s 204 of the Act.

### 4. Internal Auditors:

M/s. Ankit P Gupta & Co., Chartered Accountants, Ahmedabad has been appointed as Internal Auditors of the Company for FY 2022-23. Internal Auditors are appointed by the Board of Directors of the Company on a yearly basis, based on the recommendation of the Audit Committee. The Internal Auditor reports their findings on the Internal Audit of the Company, to the Audit Committee on a half yearly basis. The scope of internal audit is approved by the Audit Committee.

## 19. Personnel

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Report and marked as “**Annexure - B**”. No employee of the Company was in receipt of the remuneration exceeding the limits prescribed in the rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## 20. Management’s Discussion and Analysis Report

The Management’s Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of the Listing Regulations is given as “**Annexure - C**” to this report.

## 21. Conservation of energy, technology absorption and foreign exchange earnings and outgo

### A. CONSERVATION OF ENERGY:

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption are not required to be reported considering the nature of activities undertaken by the company during the year under review.

### B. TECHNOLOGY ABSORPTION:

- i. the efforts made towards technology absorption: **None**
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution: **None**

- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
  - a) the details of technology imported: **None**
  - b) the year of import: **N.A.**
  - c) whether the technology been fully absorbed: **N.A.**
  - d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: **N.A.**
  - e) the expenditure incurred on Research and Development: **Nil**

## C. Foreign exchange Earnings & Outgo

The company has not done any transactions whereby it is required to report foreign exchange earnings as well as outgo.

- Foreign Exchange Earning: NIL
- Foreign Exchange Outgo: NIL

## 22. Particulars of contracts or arrangements with related parties:

Form AOC-2 is attached herewith as **Annexure D**.

## 23. Statement regarding the development and implementation of Risk Management Policy

The Company has not developed and implemented any risk management policy as the risk threatening the business activity carried out by the Company during the year are minimal.

## 24. Board Evaluation

The Board carried out an annual performance evaluation of its own performance, the performance of the Independent Directors individually as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

## 25. Adequacy of Internal Financial Control

The Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation to Section 134(5)(e) of the Act. For the year ended March 31, 2022, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

During the year, no reportable material weakness was observed.

## 26. Directors' Responsibility Statement

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- a) In the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period under review.
- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) The directors have prepared the annual accounts on a going concern basis.
- e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 27. Listing

The Equity shares of the Company are listed on SME platform of NSE (NSE EMERGE) on dated 10/06/2022 and the Company has paid all listing expenses and fees as required.

## 28. Prevention of Sexual Harassment at Workplace

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment.

Your directors declared and confirm that, during the year under review, there is no case filed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## 29. Vigil Mechanism

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company <https://rachanainfra.com/policies/>

## 30. Code Of Conduct

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company which is posted on the website of the Company under Investor Info/Policies/Code of Conduct. All Board Members and Senior Management Personnel have affirmed compliance with the Code on an annual basis.

## 31. Familiarisation Programme For Independent Director

The Company has made practice of regularly informing the Directors all the changes in the Company as well as changes in laws which are applicable to the Company at Board meeting held during the year.

## 32. Business Risk Management

The Company is aware of the risks associated with the business. It regularly analyses and takes corrective actions for managing/ mitigating the same. The Company has framed a formal Risk Management Framework for risk assessment and risk minimization which is periodically reviewed to ensure smooth operation and effective management control. The Audit Committee also reviews the adequacy of the risk management framework of the Company, the key risks associated with the business and measure and steps in place to minimize the same.

## 33. Human resources

Your company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the company's vision. Your company appreciates the spirit of its dedicated employees.

## 34. Corporate Governance

Your Company has been complying with the principals of good Corporate Governance over the years and is committed to the highest standards of compliance. Pursuant to regulation 15(2) of the SEBI (LODR) Regulations 2015, the compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and para C, D and E of schedule V shall not apply to the listed entity which has listed its specified securities on the SME Exchange.

Therefore, the Corporate Governance Report is not applicable on the Company and therefore not provided by the Board.

## 35. Independent Directors' Meeting

The Independent Directors met on November 13, 2021 to discuss the performance evaluation of the Board, Committees, Chairman and the individual Directors.

The Independent Directors reviewed the performance of the non-independent Directors and Board as a whole. The Performance of the Chairman taking into account the views of Executive Directors and non-executive Directors and assessed the quality, quantity and timeline of flow of inform action between Company management and Board.

## 36. Secretarial Standards

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

## 37. The details application made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016:

During the financial year ended on March 31, 2022, there is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) against the Company.

## 38. The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reason thereof:

Not applicable during the year under review.

## 39. Acknowledgement

Your directors take this opportunity to express their sincere appreciation to the shareholders, customers, bankers, suppliers and other business associates for the excellent support and cooperation extended by them.

Your directors gratefully acknowledge the ongoing co-operation and support provided by the Central and State Governments, Stock Exchanges, SEBI, RBI and other Regulatory Bodies.

**By Order of the Board of Directors**  
**For, RACHANA INFRASTRUCTURE LIMITED**

**Date:** 01/09/2022

**Place:** Ahmedabad

Sd/-  
**Girishkumar Ochchhavlal Raval**  
Chairman & Managing Director  
**DIN: 01646747**

## ***CORPORATE SOCIAL RESPONSIBILITY***

### **1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects and programs:**

The Company has adopted a Corporate Social Responsibility ("CSR") Policy in accordance with the applicable provisions of Companies Act, 2013 and allied rules (hereinafter referred as "the Act"). This Policy is a guideline for Company's CSR activities intended to support local communities on a variety of socially desirable activities with a view to enable high impact and ensure measurable outcomes of the funds deployed towards such activities. The Company believes that economic value and social value are interlinked. A firm creates economic value by creating social value.

The CSR policy of the Company is stated in [www.pashupaticotspin.com](http://www.pashupaticotspin.com)

### **2. CSR Committee:**

The CSR Committee has been entrusted with responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013; recommending to the Board the amount of expenditure to be incurred; monitoring the implementation of framework of CSR Policy and ensuring that implementation of the project and programme is in compliance with the CSR Policy of the Company.

### **3. Composition of the CSR Committee as on 31<sup>st</sup> March, 2022:**

In accordance with the provisions of section 135 of Companies Act, 2013 read with Rule 5 of Companies (CSR Policy) Rules, 2014, the Company has constituted its CSR Committee, which presently comprises of three Directors.

<b>Name</b>	<b>Category</b>	<b>Position</b>
Mr. Kalpit Manishbhai Dave	Independent Director	Chairman
Mr. Saureen Bharatkumar Patel	Independent Director	Member
Ms. Bhaminiben Baldevprasad Mehta	Director	Member

### **4. Average Net Profit of the Company for the last three financial years: Rs. 6,01,20,142/-**

**5. Prescribed CSR Expenditure: Rs.12,02,403/-**

**6. Details of CSR spent for the financial year:**

- a) Total amount spent for the financial year: Rs. 12,07,500/-
- b) Amount unspent, if any: Nil\*
- c) Manner in which the amount spent during the financial year is detailed below:

The CSR activities/projects are implemented in accordance with the provisions of Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014:

S. No	CSR project or activity Identified.	Sector in which the Project is covered	Projects or programs 1) Local area or other 2) Specify the State and district was projects or programs were undertaken	Amount outlay (budget) Project or programs wise	Amount spent on the Projects or programs Sub-heads: (1) Direct expenditure on projects or Programs. (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency
1.	Education Programme	Promoting Education	The Company has donated to trust located in Botad which is carrying out the education activities.	No	Rs. 5,10,000/-	Rs. 5,10,000/-	Through Brahmarshi Gyan Savardhak Trust CSR-1 No- CSR00010542
2.	Food for Previdleged and to needy people	Food Donation	The Company has Distributed food to less Previdleged and to needy people	No	Rs. 6,97,500/-	Rs. 6,97,500/-	Through Om education Trust Mota Chiloda, Gandhinagar CSR-1 No- CSR00024679

**By Order of the Board of Directors  
For, RACHANA INFRASTRUCTURE LIMITED**

**Date:** 01/09/2022  
**Place:** Ahmedabad

Sd/-  
**Girishkumar Ochchhavlal Raval**  
Chairman & Managing Director  
**DIN: 01646747**

**Annexure-“B”**

*The ratio of the remuneration of each Director to the median employee’s remuneration and other details in terms of sub-section 12 of Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:*

<b>Sr. No.</b>	<b>Requirements</b>	<b>Disclosure</b>	
I.	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	Managing Director	3.09 times
II.	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	No increase	
III.	The percentage increase in the median remuneration of employees in the financial year	10 to 15%	
IV.	The number of permanent employees on the rolls of the Company as on 31 <sup>st</sup> March, 2022	Approximately 120 to 130 employees.	
V.	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Nil	
VI.	Affirmation that the remuneration is as per the remuneration policy of the company	Yes, it is confirmed	

**By Order of the Board of Directors  
For, RACHANA INFRASTRUCTURE LIMITED**

**Date:** 01/09/2022

**Place:** Ahmedabad

Sd/-

**Girishkumar Ochchhavlal Raval**

Chairman & Managing Director

**DIN:** 01646747

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDUSTRY STRUCTURE & DEVELOPMENT

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we or any of our respective affiliates or advisors nor any other person connected to us have verified this information.

India has the second-largest road network in the world at about 62.16 lakh km. The National Highways/ Expressways measure 1,36,440 km and State Highways measure 1,76,818 km and Other Roads measure 59,02,539 km in FY 2020-21. Ministry of Roads and Highways constructed 34 Km of National Highways per day in 2020-21. India has a world record of making 38 KMs per day his target is going upto more than 100 KMs per day. The implementation agencies of the Ministry of Road Transport and Highways include:

- ✓ National Highways Authority of India
- ✓ State/Union Territories Public Works Departments
- ✓ National Highway and Infrastructure Development Corporation Limited
- ✓ Border Roads Organization
- ✓ Indian Academy of Highway Engineers (IAHE)

Historically, the government has been the primary stakeholder in investments in the transport sector. However, to boost private sector participation, the Ministry of Road Transport and Highways has laid down comprehensive policy guidelines for private companies to participate in the development of National Highways.

Highest ever construction of 34 km per day of National Highways in 2020-21. 12,205.25 km National Highways constructed in India during FY 2020-21. Ministry has constructed 1,470 km of National Highways in May 2021 as compared 847 km in May 2020.

### OPPORTUNITY AND THREATS

The Government offers various incentives to attract Private Investment and Foreign Direct Investment in the roads and highways sector. The Government bears the following costs:

- ✓ Duty-free import of high capacity and modern road construction equipment
- ✓ 100% tax exemption in any consecutive 10 years out of 20 years after commissioning of the project
- ✓ Subsidy up to 40 % of the project cost to make project viable
- ✓ Environment clearance, cutting of trees, etc.
- ✓ Shifting of utilities
- ✓ Land for the right of way and wayside amenities
- ✓ Project Feasibility Study

About USD 1.4 Tn will be invested on infrastructure in India from 2020 to 2025. The National Infrastructure Pipeline (NIP) set up by the government unveils the infrastructure projects across various states which will receive this funding. To build domestic capacity and enhance execution by private sector participants, NIP promotes collaborations and joint ventures with strong global infrastructure developers.

Roads and Highways will receive total funding of about USD 26.9 Bn under the NIP projects. About 39 of these projects are proposed to be implemented by the private sector.

Setu Bharatam: The Ministry of Road Transport and Highways has envisaged a plan for replacement of Level Crossings on National Highways by ROB/ RUBs under a scheme, Setu Bharatam.

## SEGMENTAL REVIEW AND ANALYSIS

Your Company was having more than two decades of experience in infrastructure and civil construction work. Your company is mid-size private sector company engaged in the business of Construction of Road projects on Bill of Quantities (BOQ) and EPC basis. Your Company continues to operate in two business segments only i.e., Road and Highway Construction projects and Mining.

Road and Highway Construction project plays a major role in the core business of our company. We are proud to say that since last few years we are making more than 100 Kilometer Lane every year. We are specialised in construction of all type of roads like Four Lane Highway, Two Lane Highway, State Highway, Major District Road. We are also involved in roads for Urban Development Town Planning Schemes and also Resurfacing & Reconstruction of roads in City as well. We have done mining works for various clients at our own Mines at Vadagam, Gujarat. In these mining project the mines are almost 100 ft below ground level and million tons of aggregate has been produced from this project so far.

## OUTLOOK

Post pandemic, demand for Black trap, Roads and Bridge Construction and its related products has gone up.

Increased penetration of organized retail sector, growing population and rising income levels are likely to drive demand for construction projects.

The rapid deterioration of the global economic outlook following the pandemic and Russia-Ukraine war has severely impacted demand and margins. The major focus of the industry will be on cost cutting measures, improving productivity and quality and reduction in wastage.

## RISK AND CONCERN

We own a large fleet of equipment and have a large number of employees, resulting in increased fixed costs to our Company. In the event we are not able to generate adequate cash flows it may have a material adverse impact on our operations.

We operate in a highly competitive environment and may not be able to maintain our market position, which may adversely impact our business, results of operations and financial condition.

Our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.

## INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company's internal control systems and procedures commensurate with the size and nature of its operations. The Company has adequate system of Internal Controls to ensure that the resources of the Company are used efficiently and effectively, all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly, financial and other data are reliable for preparing financial information and other data and for maintaining accountability of assets. The management periodically reviews the internal control systems and procedures for efficient conduct of the Company's business. Internal Audit is conducted by independent Chartered Accountants, on quarterly basis. To maintain its objectivity and independence, the Internal Auditors report directly to the Audit Committee of the Board. The Audit Committee reviews the Internal Audit Reports and effectiveness of the Internal Control Systems. If required, the corrective actions are taken and the controls strengthened.

## KEY RATIOS

Sr. No.	Particular	Ratio For F.Y.		% Change
		2021-22	2020-21	
1.	<b>Debtors Turnover Ratio</b> <b>Formula:</b> Debtors Turnover Ratio= Net Credit Sales/Average Account Receivable <b>Definition:</b> The Debtors Turnover Ratio also called as Receivables Turnover Ratio shows how quickly the credit sales are converted into the cash. This ratio measures the efficiency of a firm in managing and collecting the credit issued to the customers.	2.81 Times	2.84 Times	2 %
2.	<b>Inventory Turnover Ratio</b> <b>Formula:</b> Inventory Turnover= Cost of Goods Sold / Average Inventory <b>Definition:</b> Inventory turnover is a ratio showing how many times a company has sold and replaced inventory during a given period. A company can then divide the days in the period by the inventory turnover formula to calculate the days it takes to sell the inventory on hand.	4.32 Times	5.23 Times	17 %
3.	<b>Interest Coverage Ratio</b> <b>Formula:</b> Interest Coverage Ratio= Interest Expense/EBIT <b>Definition:</b> The interest coverage ratio measures how many times a company can cover its current interest payment with its available earnings. The ratio is calculated by dividing a company's earnings before interest and taxes (EBIT) by the company's interest expenses for the same period.	0.54 Times	0.43 Times	26 %

4.	<b>Current Ratio</b> <b>Formula:</b> Current Ratio=Current assets/ Current liability <b>Definition:</b> The current ratio is a liquidity ratio that measures whether a firm has enough resources to meet its short-term obligations. It compares a firm's current assets to its current liabilities, and is expressed as follows: The current ratio is an indication of a firm's liquidity.	1.76 Times	2.20 Times	20 %
5.	<b>Debt Equity Ratio</b> <b>Formula:</b> Debt Equity Ratio = non-current borrowings (+) current borrowings (-) cash and cash equivalent /Total Equity <b>Definition:</b> The debt-to-equity ratio is a financial ratio indicating the relative proportion of shareholders' equity and debt used to finance a company's assets. Closely related to leveraging, the ratio is also known as risk, gearing or leverage.	0.68 Times	0.66 Times	4 %
6.	<b>Operating Profit Margin Ratio Formula:</b> Operating profit margin = *Operating income/ Total revenue *Operating Income excluding Exceptional Item Operating profit margin = **Operating income/ Total revenue **Operating Income including Exceptional Item <b>Definition:</b> In business, operating margin—also known as operating income margin, operating profit margin, EBIT margin and return on sales — is the ratio of operating income to net sales, usually presented in percent. Net profit measures the profitability of ventures after accounting for all costs.	4.43 %	5.02 %	12 %
7.	<b>Net Profit Margin Ratio</b> <b>Formula:</b> Net Profit Margin= Net Profit/ Sales <b>Definition:</b> The net profit percentage is the ratio of after-tax profits to net sales. It reveals the remaining profit after all costs of production, administration, and financing have been deducted from sales, and income taxes recognized.	3.49 %	4.53 %	23 %
8.	<b>Return on Net Worth Ratio</b> <b>Formula:</b> Net Income/Shareholder's Equity <b>Definition:</b> The return on Net Worth is a measure of the profitability of a business in relation to the equity.	4.42 %	9.12 %	51 %

**FINANCIAL AND OPERATIONAL PERFORMANCE**

(Amount in Thousand. Except EPS)

<b>Particulars for the year ended</b>	<b>March 31,2022</b>	<b>March 31,2021</b>
Net revenue from Operations (Sales)	660615.81	1059117.85
Profit Before Depreciation and Tax	49779.07	76077.54
Less: Depreciation	20491.06	22893.67
<b>Profit Before Extra-ordinary Items and Tax</b>	<b>29288.01</b>	<b>53183.87</b>
Extra Ordinary Items	0.00	0.00
<b>Profit Before Tax</b>	<b>29288.01</b>	<b>53183.87</b>
Tax Expense		
-Current Tax	6250.00	10000.00
Less: MAT Credit Receivable	0.00	0.00
-Deferred Tax	960.55	(3816.46)
<b>Profit After Tax</b>	<b>22077.46</b>	<b>47000.33</b>
EPS (Basic) (In Rs.)	1.40	2.98
EPS (Diluted) (In Rs.)	1.40	2.98

**HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The employees on roll in the Company as on 31st March 2022 were 160 (140 as on 31st March 2021). Relations with the employees were cordial throughout the year. The Company provides to its employees' favourable work environment conducive to good performance with high degree of quality and integrity. The Company continuously nurtures this environment to keep its employees highly motivated and result oriented. Effective Human Resource Practices and customized training programmes enable building a stronger performance culture.

The Company took measures to protect its employees during Covid-19 pandemic. The Company introduced safety norms, created continuous awareness about the pandemic and introduced preventive and safety measures including workplace sanitization, thermal screening, demarcation of work areas, etc.

**CAUTIONARY STATEMENT**

Statements in this Management Discussions and Analysis Report describing the Company objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable security laws or regulations. These statements are based on reasonable assumptions and expectations of future events. Actual results could however, differ materially from those expressed or implied. Factors that could make a difference to the Company's operations include market price both domestic and overseas availability and cost of raw materials, change in Government regulations and tax structure, economic conditions affecting demand / supplies and other factors over which the Company does not have any control. The

# Annual Report 2021-22

---



Company takes no responsibility for any consequence of decisions made based on such statements and holds no obligation to update these in future.

**By Order of the Board of Directors  
For, RACHANA INFRASTRUCTURE LIMITED**

Sd/-

**Girishkumar Ochchhavlal Raval**

Chairman & Managing Director

**DIN: 01646747**

**Date:** 01/09/2022

**Place:** Ahmedabad

## Annexure-“D”

## FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto of **Rachana Infrastructure Limited as on 31/03/2022:**

<b>A. Details of contracts or arrangements or transactions not at arm's length basis</b> <b>(Amount in '000)</b>		
(a) Name(s) of the related party and nature of relationship	- NIL-	
(b) Nature of contracts/arrangements/transactions	- NIL-	
(c) Duration of the contracts / arrangements/transactions	- NIL-	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	- NIL-	
(e) Justification for entering into such contracts or arrangements or transactions	- NIL-	
(f) date(s) of approval by the Board	- NIL-	
(g) Amount paid as advances, if any:	- NIL-	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	- NIL-	
<b>B. Details of material contracts or arrangement or transactions at arm's length basis</b> <b>(Amount in '000)</b>		
(a) Name(s) of the related party and nature of relationship;	Girish Raval	
(b) Nature of contracts/arrangements/transactions;	Remuneration Paid	4500.00
	Loan Taken	27698.80
	Loan Repaid	25006.25
(c) Duration of the contracts / arrangements/transactions;	From 01/04/2021 To 31/03/2022	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any;	Amount not Exceeding Rs. 57205.05	

(e) Date(s) of approval by the Board, if any:	10/04/2021
(f) Amount paid as advances if any:	- NIL-

(a) Name(s) of the related party and nature of relationship;	Ashok Raval	
(b) Nature of contracts/arrangements/transactions;	Interest Paid	4207.61
	Loan Repaid	19550.00
(c) Duration of the contracts / arrangements/transactions;	From 01/04/2021 To 31/03/2022	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any;	Amount not Exceeding Rs. 237577.61	
(e) Date(s) of approval by the Board, if any:	10/04/2021	
(f) Amount paid as advances if any:	- NIL-	

(a) Name(s) of the related party and nature of relationship;	Jaydeep Raval	
(b) Nature of contracts/arrangements/transactions;	Remuneration Paid	
(c) Duration of the contracts / arrangements/transactions;	From 01/04/2021 To 31/03/2022	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any;	Amount not Exceeding Rs. 3000	
(e) Date(s) of approval by the Board, if any:	10/04/2021	
(f) Amount paid as advances if any:	- NIL-	

(a) Name(s) of the related party and nature of relationship;	Brijesh Raval	
(b) Nature of contracts/arrangements/transactions;	Remuneration Paid	
(c) Duration of the contracts / arrangements/transactions;	From 01/04/2021 To 31/03/2022	

(d) Salient terms of the contracts or arrangements or transactions including the value, if any;	Amount not Exceeding Rs. 3300
(e) Date(s) of approval by the Board, if any:	10/04/2021
(f) Amount paid as advances if any:	- NIL-

(a) Name(s) of the related party and nature of relationship;	Ishita Raval
(b) Nature of contracts/arrangements/transactions;	Remuneration Paid
(c) Duration of the contracts / arrangements/transactions;	From 01/04/2021 To 31/03/2022
(d) Salient terms of the contracts or arrangements or transactions including the value, if any;	Amount not Exceeding Rs. 1200
(e) Date(s) of approval by the Board, if any:	10/04/2021
(f) Amount paid as advances if any:	- NIL-

(a) Name(s) of the related party and nature of relationship;	Devanshi Dave
(b) Nature of contracts/arrangements/transactions;	Remuneration Paid
(c) Duration of the contracts / arrangements/transactions;	From 01/04/2021 To 31/03/2022
(d) Salient terms of the contracts or arrangements or transactions including the value, if any;	Amount not Exceeding Rs. 1200
(e) Date(s) of approval by the Board, if any:	10/04/2021
(f) Amount paid as advances if any:	- NIL-

(a) Name(s) of the related party and nature of relationship;	Bhamini Infrastructure Private Limited	
(b) Nature of contracts/arrangements/transactions;	Hiring Charges paid	417.60
	Sale of Goods	7329.44
	Interest Received	311.15

	Acceptance of Deposit	5720.00
	Repayment of Deposit	4631.15
(c) Duration of the contracts / arrangements/transactions;	From 01/04/2021 To 31/03/2022	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any;	Amount not Exceeding Rs. 18409.34	
(e) Date(s) of approval by the Board, if any:	10/04/2021	
(f) Amount paid as advances if any:	- NIL-	

(a) Name(s) of the related party and nature of relationship;	Om Education Trust	
(b) Nature of contracts/arrangements/transactions;	Interest Paid	6777.96
	Rent Income	12004.14
	Acceptance of Deposit	16296.46
	Repayment of Deposit	17396.62
(c) Duration of the contracts / arrangements/transactions;	From 01/04/2021 To 31/03/2022	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any;	Amount not Exceeding Rs. 52475.18	
(e) Date(s) of approval by the Board, if any:	10/04/2021	
(f) Amount paid as advances if any:	- NIL-	

**By Order of the Board of Directors  
For, RACHANA INFRASTRUCTURE LIMITED**

Sd/-

**Girishkumar Ochchavlal Raval**  
Chairman & Managing Director

**DIN: 01646747**

**Date:** 01/09/2022

**Place:** Ahmedabad

## INDEPENDENT AUDITORS REPORT

To,

The Members of  
Rachana Infrastructure Limited,  
Ahmedabad.

### Report on the Financial Statements

#### Opinion

We have audited the accompanying Financial Statements of **Rachana Infrastructure Limited** (“the Company”), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, the Cash Flow Statement and notes to the financial statements for the year ended on March 31, 2022, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. 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 Company in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 Financial Statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

#### Information other than Financial Statements and Auditor’s Report thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Financial Statements and our auditors’ report thereon.

Our opinion on the 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, including cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended. 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 the 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 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 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company'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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 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.

## Report on other Legal and Regulatory Requirements

1. This is an interim financial report and therefore not required to report on the matters specified by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of, the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Accounting Standards) Rules, 2006, as amended;

- (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) This being an interim financial reporting, we are not required to report on adequacy of the internal financial controls over financial reporting of the Company;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The details of pending litigations on its financial position in its Financial Statements are mentioned in Notes forming part of financial statements.
  - ii. Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which required to be transferred to Investor Education and Protection Fund.

For, Ankit Chokshi & Co.,  
(F.R. No: 121722W)  
(Chartered Accountants)

(Ankit Chokshi)  
(M. No: 110303)  
Partner

(UDIN: 22110303AQMOYN3970)

Place : Ahmedabad  
Date : 01.09.2022

## ANNEXURE A TO THE INDEPENDENT AUDITORS REPORT

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i.	(a)	[A] The company has maintained records showing particulars of Property, Plant and Equipments but such records does not include quantitative details and situation of plant and equipments. The situation of the movable assets used in the construction activity keeps on changing from works sites depending upon requirements for a particular contract.
		[B] The Company has maintained proper records showing full particulars of intangible assets.
	(b)	The Company has a program of verification to cover all the items of Property, Plant and Equipments in a phased manner over a period of 3 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.  Pursuant to the program, certain Property, Plant and Equipments were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
	(c)	According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the Company) disclosed in the financial statements are held in the name of the Company as at the balance sheet date. Immovable properties of land whose title deeds have been pledged as security for Term loans and working capital limits are held in the name of the Company based on the confirmations directly received by us from lenders.
	(d)	The company has not revalued its property, plant and equipments (including Right of Use of assets) and intangible assets during the year.
	(e)	There are no proceedings that have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
ii.	(a)	The inventories have been physically verified during the year by the management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the management is appropriate having regard to the size of the company and nature of its operations. No material discrepancy of 10% or more in the aggregate for each class of inventory were noticed on such physical verification of inventories when compared with books of accounts.
	(b)	According to the information and explanations given to us, the Company has been sanctioned

		working capital limits in excess of INR 50 Million in aggregate, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, book debt statements, statements on ageing analysis of the debtors and other stipulated financial information filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.																				
iii.	(a)	According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any fresh loans, secured or unsecured to companies, firms or limited liability partnership or other parties listed in the register maintained under Section 189 of the Companies Act during the year. Thus paragraph 3(iii) of the order is not applicable to the company.																				
	(b)	According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, as the loans are repayable on demand, there is no overdue amount remaining outstanding as at the balance sheet date.																				
	(c)	No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.																				
	(d)	<p>The Company has granted Loans or advances in the nature of loans which are repayable on demand or without specifying any terms or period of repayment details of which are given below:</p> <p style="text-align: right;">(Amount in '000)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Particulars</th> <th style="width: 15%;">All parties</th> <th style="width: 15%;">Promoters</th> <th style="width: 20%;">Related Parties</th> </tr> </thead> <tbody> <tr> <td>Aggregate amount of loans/advances in nature of loans</td> <td style="text-align: right;">3185.64</td> <td style="text-align: center;">Nil</td> <td style="text-align: right;">500.00</td> </tr> <tr> <td>- Repayable on demand</td> <td></td> <td></td> <td></td> </tr> <tr> <td>-Without specify terms or period of repayment</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">Nil</td> <td style="text-align: center;">Nil</td> </tr> <tr> <td>Percentage of loans/ advances in nature of loans to the total loans</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">Nil</td> <td style="text-align: right;">15.69%</td> </tr> </tbody> </table>	Particulars	All parties	Promoters	Related Parties	Aggregate amount of loans/advances in nature of loans	3185.64	Nil	500.00	- Repayable on demand				-Without specify terms or period of repayment	Nil	Nil	Nil	Percentage of loans/ advances in nature of loans to the total loans	100%	Nil	15.69%
Particulars	All parties	Promoters	Related Parties																			
Aggregate amount of loans/advances in nature of loans	3185.64	Nil	500.00																			
- Repayable on demand																						
-Without specify terms or period of repayment	Nil	Nil	Nil																			
Percentage of loans/ advances in nature of loans to the total loans	100%	Nil	15.69%																			
iv		<b>Based on the audit process applied by us and according to the information and explanation given to us, in our opinion the Company has complied with the provisions of section 185 and section 186 of the Act, in respect of the loans and investments made, and guarantees and security provided by it.</b>																				
v		<b>The Company has not accepted any deposit or amounts which are deemed to be deposits. Accordingly, reporting under clause (v) of the Order is not applicable.</b>																				
vi		The Central Government has prescribed maintenance of cost records under section 148(1) of the Act, for the services rendered by the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as																				

		amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.																								
vii.	(a)	The Company is generally regular in depositing with appropriate authorities undisputed statutory dues such as Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, duty of Customs, duty of Excise, value added tax, cess and other applicable statutory dues with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31 <sup>st</sup> of March, 2022 for a period of more than six months from the date they became payable.																								
	(b)	The details of disputed prescribed statutory dues that have not been paid by the Company are as under. (Amount in '000)																								
		<table border="1"> <thead> <tr> <th>Name of the Statute</th> <th>Nature of Dues</th> <th>From where dispute is pending</th> <th>Financial Year</th> <th>Amount</th> <th>Amount paid under protest</th> </tr> </thead> <tbody> <tr> <td>Gujarat VAT</td> <td>VAT</td> <td>Dy. State VAT Commissioner</td> <td>2014-15</td> <td>60921.18</td> <td>1000.00</td> </tr> <tr> <td>GST</td> <td>GST</td> <td>DGGI</td> <td>2019-20 2020-21</td> <td>38307.00</td> <td>20800.00</td> </tr> <tr> <td>Service Tax</td> <td>Service Tax</td> <td>CESTAT Ahmedabad</td> <td>2016-17</td> <td>1737.32</td> <td>175.00</td> </tr> </tbody> </table>	Name of the Statute	Nature of Dues	From where dispute is pending	Financial Year	Amount	Amount paid under protest	Gujarat VAT	VAT	Dy. State VAT Commissioner	2014-15	60921.18	1000.00	GST	GST	DGGI	2019-20 2020-21	38307.00	20800.00	Service Tax	Service Tax	CESTAT Ahmedabad	2016-17	1737.32	175.00
Name of the Statute	Nature of Dues	From where dispute is pending	Financial Year	Amount	Amount paid under protest																					
Gujarat VAT	VAT	Dy. State VAT Commissioner	2014-15	60921.18	1000.00																					
GST	GST	DGGI	2019-20 2020-21	38307.00	20800.00																					
Service Tax	Service Tax	CESTAT Ahmedabad	2016-17	1737.32	175.00																					
viii.		There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.																								
ix.	(a)	According to the information and explanations given to us and on the basis of our examination of the books of account, we are of the opinion that, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.																								
	(b)	According to the information and explanations given to us, we are of the opinion that, the company is not a declared wilful defaulter by any bank or financial institution or government or government authority.																								
	(c)	To the best of our knowledge and belief, in our opinion Terms Loans availed by the company during the year, were applied for the purpose for which the loans were obtained.																								
	(d)	On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.																								

	(e)	On an overall examination of the financial statements of the Company, we are of the opinion 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.
	(f)	According to the information and explanations given to us and on the basis of our examination of the books of account, we are of the opinion that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, reporting under paragraph 3(ix)(f) of the Order is not applicable to the Company.
x.	(a)	The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence, reporting under paragraph 3(x)(a) of the Order is not applicable to the Company.
	(b)	During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the order is not applicable to the Company
xi.	(a)	Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit that causes the financial statements to be materially misstated.
	(b)	To the best of our knowledge, no report under subsection (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
	(c)	As represented to us by the management, there were no whistle blower complaints received by the company during the year.
xii.		In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company and accordingly clause 3(xii) of the Order is not applicable.
xiii.		According to the information and explanations given to us and Based on the audit procedures performed, we are of the opinion that all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
xiv.		Looking to the size and nature of its business, the company is not required to have an internal audit system.  Accordingly, clause 3(xiv)(a) & 3(xiv)(b) of the Order is not applicable.
xv.		In our opinion during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
xvi.	(a)	According to the information and explanations given to us and based on our examination of the records of the company, in our opinion the company is not required to be registered under

	section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(xvi)(a) & 3(xvi)(b) of the Order is not applicable.
	(d) The Group does not have any CIC as part of the group and accordingly reporting under paragraph 3(xvi)(d) of the Order is not applicable. Accordingly, clause 3(xvi)(c) & 3(xvi)(d) of the Order is not applicable.
xvii.	The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
xviii.	There has been no resignation of the statutory auditors of the Company during the year. Accordingly, reporting under paragraph 3(xviii) of the Order is not applicable to the Company;
xix.	According to the information and explanations given to us and 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, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not 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 date. 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 up to the date of the audit report 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.	The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under paragraph 3(xx) of the Order is not applicable for the year.
xxi.	<b>According to the information and explanations given to us and based on our examination of the records of the company, in our opinion, financial statements are presented on standalone basis. Accordingly, para 3(xxi) of the order is not applicable to the company.</b>
Place : AHMEDABAD Date : 01/09/2022	For, Ankit Chokshi & Co., (F.R. No: 121722W) (Chartered Accountants)  CA Ankit Chokshi (M. No: 110303) Partner UDIN: 22110303AQMOYN3970

## **ANNEXURE B TO THE INDEPENDENT AUDITORS REPORT**

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

1. In conjunction with our audit of financial statement of **Rachana Infrastructure Limited** ("the company") as at and for the period ended on 31<sup>st</sup> March 2022, we have audited the internal financial controls over financial reporting of the Company as at that date.

#### **Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 for the Audit of the Internal Financial Controls with Reference to Financial Statements**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

#### **Meaning of Internal Financial Controls with Reference to Financial Statements**

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (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 authorizations 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 Financial Statements**

7. 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For, Ankit Chokshi & Co.,  
(F.R. No: 121722W)  
(Chartered Accountants)**

**Place: Ahmedabad  
Date: 01.09.2022**

**(Ankit Chokshi)  
(M. No: 110303)  
Partner  
(UDIN: 22110303AQMOYN3970)**

## Balance sheet as at 31.03.2022

(Amount in '000)

Particulars		Notes	As at 31-03-2022	As at 31-03-2021
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>(1)</b>	<b>Shareholders' Funds</b>			
	(a) Share Capital	1	1,57,800.00	52,600.00
	(b) Reserves and Surplus	2	3,41,233.92	4,62,859.89
<b>(2)</b>	<b>Share application money pending allotment</b>		-	-
<b>(3)</b>	<b>Non-Current Liabilities</b>			
	(a) Long-term borrowings	3	2,16,599.26	2,08,750.34
	(c) Other Long term liabilities		-	-
	(d) Long term provisions	4	5,633.56	5,152.60
<b>(4)</b>	<b>Current Liabilities</b>			
	(a) Short-term borrowings	5	1,24,794.86	1,31,550.64
	(b) Trade payables			65.60
	(A) total outstanding dues of MSME;	6	-	
	(B) total outstanding dues of creditors other than MSME;		1,46,467.88	35,085.05
	(c) Other current liabilities	7	38,053.16	19,314.69
	(d) Short-term provisions	8	8,013.10	11,313.94
	<b>Total</b>		<b>10,38,595.75</b>	<b>9,26,692.75</b>
<b>II.</b>	<b>ASSETS</b>			
<b>(1)</b>	<b>Non-current assets</b>			
	(a) Property Plant & Equipments and Intangible Assets			
	(i) Property Plant & Equipments	9	1,07,360.72	1,04,738.50
	(ii) Intangible assets	10	118.17	216.96
	(d) Non-current investments		1,79,021.93	2,19,446.84
	(c) Deferred tax assets (net)		17,296.42	18,256.98
	(d) Long term loans and advances	11	-	-
	(e) Other Non-current assets		1,77,470.20	1,50,173.11
<b>(2)</b>	<b>Current assets</b>			
	(a) Current investments	12	-	-
	(b) Inventories	13	44,343.86	32,097.34
	(c) Trade receivables	14	1,75,089.27	2,29,022.88
	(d) Cash and cash equivalents	15	9,726.95	6,187.10
	(e) Short-term loans and advances	16	6,659.89	8,873.68
	(f) Other current assets		3,21,508.32	1,57,679.37
	<b>Total</b>		<b>10,38,595.75</b>	<b>9,26,692.75</b>

See accompanying notes to the Financial Statements

As per our report of even date,

**Ankit Chokshi & Co.**

F.R.No. 121722W

(Chartered Accountants)

(Ankit A. Chokshi) (M. No. : 110303)

Partner

Date: 01-09-2022

Place: Ahmedabad

UDIN: 22110303AQMOYN3970

For and on behalf of the board ,

**Rachana Infrastructure Limited**

Bhaminiben Mehta

Director

DIN: 01646822

Girishbhai Raval Managing

Director DIN: 01646747

Ishita Raval,(CFO)

CS Smit Shah

# Annual Report 2021-22

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31.03.2022 (Amount in '000)

Particulars	Notes	2021-22	2020-21
I. Revenue from Operations	17	6,31,981.82	10,37,906.35
II. Other Income	18	28,633.99	21,211.50
<b>III. Total Revenue</b>	<b>(I+II)</b>	<b>6,60,615.81</b>	<b>10,59,117.85</b>
Direct Expenditure	19	4,44,225.70	8,18,527.96
Purchase of Stock-in-Trade		-	-
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	20	-12,246.52	-2,500.96
Employee Benefit Expense	21	57,308.26	58,733.48
Financial Costs	22	39,440.48	50,268.02
Depreciation and Amortization Expense	9	20,491.06	22,893.67
Other Expenses	23	82,108.82	58,011.81
<b>IV. Total Expenses</b>		<b>6,31,327.79</b>	<b>10,05,933.97</b>
<b>V. Profit Before Exceptional and Extraordinary Items and Tax</b>	<b>(III-IV)</b>	<b>29,288.01</b>	<b>53,183.87</b>
<b>VI. Exceptional Items</b>		-	-
<b>VII. Profit Before Extraordinary Items and Tax</b>	<b>(V-VI)</b>	<b>29,288.01</b>	<b>53,183.87</b>
<b>VIII. Extraordinary Items</b>		0.00	0.00
<b>IX. Profit Before Tax (VII - VIII)</b>		<b>29,288.01</b>	<b>53,183.87</b>
<b>X. Tax Expense:</b>			
(1) Current Tax		6,250.00	10,000.00
(2) Deferred Tax		960.55	-3,816.46
<b>XI. Profit(Loss) From the Period From Continuing Operations</b>		<b>22,077.46</b>	<b>47,000.33</b>
<b>XII. Profit/(Loss) From Discontinuing Operations</b>		-	-
<b>XIII. Tax Expense of Discounting Operations</b>		-	-
<b>XIV. Profit/(Loss) From Discontinuing Operations</b>		-	-
<b>XV. Profit/(Loss) For The Period (XI+XIV)</b>		<b>22,077.46</b>	<b>47,000.33</b>
<b>XVI. Earning Per Equity Share:</b>			
(1) Basic		1.40	2.98
(2) Diluted		1.40	2.98

See accompanying notes to the Financial Statements

24

As per our report of even date,

**Ankit Chokshi & Co.**

**(F.R.N. : 121722W)**

**(Chartered Accountants)**

For and on behalf of the board ,  
**Rachana Infrastructure Limited**

(Ankit A. Chokshi)

(M. No. : 110303)

Partner

Date: 01-09-2022

Place : Ahmedabad

UDIN: 22110303AQMOYN3970

Bhaminiben Mehta

Director

DIN: 01646822

Girishbhai Raval

Managing Director

DIN: 01646747

Ishita P. Raval (CFO)

C.S. Smit Shah

# Annual Report 2021-22

## Cash Flow Statement

(Amount in '000)

Particulars	2021-22	2020-21
<b>Cash flows from Operating Activities</b>		
Net Profit/(loss) before Taxation and extraordinary items		
Adjustments		
Add:- Depreciation	20,491.06	22,893.67
Add: Gratuity Provision	1,126.94	690.15
Add: Other adjustments	-6,853.84	-11,261.07
<b>Operating Profit before working capital changes</b>	<b>44,052.17</b>	<b>65,506.63</b>
<b>Sources of Funds in Working Capital</b>		
Increase / (Decrease) in Trade Payables	1,11,317.22	-2,05,856.44
Increase / (Decrease) in Other Current Liabilities	18,738.47	-20,565.94
Increase / (Decrease) in Short Term Provisions	-3,300.84	-9,625.58
Increase / (Decrease) in Long Term Provisions	480.96	
	<b>1,27,235.82</b>	<b>-2,36,047.95</b>
<b>Utilization of Funds in Working Capital</b>		
(Increase) / Decrease in Inventories	-12,246.52	2,500.96
(Increase) / Decrease in Trade Receivables	53,933.60	-2,08,479.99
(Increase) / Decrease in Short Term Loans & Adv.	2,213.78	323.69
(Increase) / Decrease in Other Current Assets	-1,63,828.95	-22,555.21
(Increase) / Decrease in Other Non Current Assets	-27,297.09	27,216.73
	<b>-1,47,225.18</b>	<b>-2,00,993.82</b>
<b>Net Utilization of funds in Operating Activities</b>	<b>-19,989.36</b>	<b>-35,054.14</b>
<b>Cash Flows from Investing Activities</b>		
<b>Utilization of Funds in Investing Activities</b>		
Decrease in Non Current Investments		-216.66
(Acquisition) / Sale of Property, Plant and Equipment, Investment Properties	-21,616.11	29,168.34
Net Utilization of funds in Investing Activities	<b>-21,616.11</b>	<b>28,951.68</b>
<b>Cash Flow from Financing Activity</b>		
Increase/(Decrease) in short term borrowings	-6,755.78	-16,649.32
Increase/(Decrease) in long term borrowings	7,848.93	-43,929.80
Increase in Share Capital		0.00
Increase in Securities Premium		0.00
	<b>1,093.15</b>	<b>-60,579.13</b>
Cash Surplus (+) / Shortfall (-) arose during the year	<b>3,539.85</b>	<b>-1,174.95</b>
Cash and Cash Equivalents at the beginning of the period	<b>6,187.10</b>	<b>7,362.05</b>
<b>Cash and Cash Equivalents at the end of the period</b>	<b>9,726.95</b>	<b>6,187.10</b>

Significant Accounting Policies Note '26'

As per our report of even date,

Ankit Chokshi & Co.

(F.R.N. : 121722W)

(Chartered Accountants)

(Ankit A. Chokshi)

(M. No. : 110303)

Partner

Date: 01-09-2022

Place : Ahmedabad

UDIN: 22110303AQMOYN3970

For and on behalf of the board ,

**Rachana Infrastructure Limited**

Bhaminiben Mehta

Director

DIN: 01646822

Girishbhai Raval

Managing Director

DIN: 01646747

Ishita Raval

CFO

Smit Shah

C.S.

## Notes to Balance Sheet

## Note - 1 : Share Capital

(Amount in '000)

Particulars	As at 31.03.2022				As at 31.03.2021			
	As at 31.03.2022		As at 31.03.2021		As at 31.03.2021		As at 31.03.2021	
<b>Authorised Share Capital :</b>								
55,00,000 Equity shares of Rs.10/- each	55,000.00		55,000.00		55,000.00		55,000.00	
Add: Increase in Authorised Share Capital during the year	1,70,000.00				-		-	
<b>Total Authorised Share Capital</b>	<b>2,25,000.00</b>		<b>55,000.00</b>		<b>55,000.00</b>		<b>55,000.00</b>	
<b>Issued ,Subscribed &amp; Paid Up Capital :</b>								
52,60,000 Equity shares of Rs.10/- each	52,600.00		52,600.00		52,600.00		52,600.00	
Add: Increase in Issued, Subscribed & Paid Up Capital during the year:								
1,05,20,000 Equity Shares of Rs. 10/- each	1,05,200.00				-		-	
<b>Total Issued, Subscribed &amp; Paid Up Capital</b>	<b>1,57,800.00</b>		<b>52,600.00</b>		<b>52,600.00</b>		<b>52,600.00</b>	
<b>Reconciliation of Equity Share Capital</b>	<b>1,57,80,000</b>		<b>52,60,000</b>		<b>52,60,000</b>		<b>52,60,000</b>	
No. of Equity Shares outstanding at the beginning of the year	52,60,000		52,60,000		52,60,000		52,60,000	
Add : Shares issued during the year (Bonus)	1,05,20,000				-		-	
Less: Shares bought back during the year	-				-		-	
<b>Equity Shares outstanding at the end of the year</b>	<b>1,57,80,000</b>		<b>52,60,000</b>		<b>52,60,000</b>		<b>52,60,000</b>	
<b>List of Persons Holding More Than 5% of Paid-up Share Capital</b>	<b>No. of Shares</b>	<b>%</b>						
Girishbhai Raval	65,54,031	41.53	20,89,677	39.73	20,89,677	39.73	20,89,677	39.73
Bhaminiben Mehta	15,31,800	9.71	3,51,000	6.67	3,51,000	6.67	3,51,000	6.67
Brijesh Raval	16,31,400	10.34	4,13,800	7.87	4,13,800	7.87	4,13,800	7.87
Jaydeep Raval	14,91,360	9.45	3,52,120	6.69	3,52,120	6.69	3,52,120	6.69

## Notes to Balance Sheet

## Note - 1 : Share Capital

## SHAREHOLDING OF PROMOTERS

Sl. No.	Promoter name	As at 31-03-2022			As at 31-03-2021		
		No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
1	Raval Girish Ochhavlal	65,54,031	41.53	214	20,89,677	39.73	-
2	Ishita Prakashkumar Raval	3,73,590	2.37	200	1,24,530	2.37	-
3	Bhaminiben Baldevprasad Mehta	15,31,800	9.71	336	3,51,000	6.67	-
4	Ashokkumar Ochchhavlal Raval	6,85,998	4.35	573	1,02,000	1.94	-
5	Brijesh Girishbhai Raval	16,31,400	10.34	294	4,13,800	7.87	-
6	Devanshi Jayesh Dave	3,59,400	2.28	200	1,19,800	2.28	-
7	Jaydeep Girishbhai Raval	14,91,360	9.45	324	3,52,120	6.69	-
8	Bhamini Infrastructures Pvt Ltd	5,40,000	3.42	200	1,80,000	3.42	-
	<b>Total Shareholding by Promoer &amp; Pro</b>	<b>1,31,67,579</b>	<b>83.45</b>		<b>37,32,927</b>	<b>70.97</b>	

## RACHANA INFRASTRUCTURE LIMITED

## Notes to Balance Sheet

## Note - 2 : Reserves and Surplus

(Amount in '000)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>(a) Securities Premium</b>		
Opening Balance	34,856.80	34,856.80
(-) Securities Premium Utilized for Bonus Issue	34,856.80	-
<b>Closing Balance</b>	<b>-</b>	<b>34,856.80</b>
<b>(b) Revaluation Reserve</b>		
Opening Balance	1,22,385.27	1,22,420.99
(-) Written Back in Current Year	31.71	35.72
(-) Accumulated Depreciation on Investment Property (Building)	13,674.83	-
(-) Depreciation Provided for Current F.Y.	666.09	-
<b>Closing Balance</b>	<b>1,08,012.64</b>	<b>1,22,385.27</b>
<b>(c) General Reserves</b>		
Opening Balance	43,433.98	43,433.98
(+) Transferred from Surplus	26,909.22	-
(-) General Reserves Utilized for Bonus Issue	70,343.20	-
<b>Closing Balance</b>	<b>0.00</b>	<b>43,433.98</b>
<b>(d) Surplus</b>		
Opening Balance	2,62,183.84	2,15,183.51
(+) Profit for the Year	22,077.46	47,000.33
(-) Accumulated Depreciation on Investment Property	24,130.80	-
(-) Transferred to General Reserve	26,909.22	-
<b>Closing Balance</b>	<b>2,33,221.28</b>	<b>2,62,183.84</b>
<b>Total Reserves &amp; Surplus</b>	<b>3,41,233.92</b>	<b>4,62,859.89</b>

## Note - 3 : Long Term Borrowings

Particulars	As at 31.03.2022	As at 31.03.2021
<u>Long term Borrowings</u>		
Secured Term Loans from Bank	4,942.88	13,201.57
Secured-Term loan from Financial Institutions	41,651.73	7,894.27
Unsecured Loans from Related Parties	63,819.40	76,469.25
<u>Other Non Current Financial Liabilities</u>		
Deposits from Vendors/Retention Money	66,185.25	61,185.25
Mobilization Advances	40,000.00	50,000.00
<b>Total</b>	<b>2,16,599.26</b>	<b>2,08,750.34</b>

## RACHANA INFRASTRUCTURE LIMITED

## Notes to Balance Sheet

**Note - 4: Long Term Provisions**

(Amount in '000)

Particulars	As at 31.03.2022	As at 31.03.2021
Provision for Employee Benefits (Gratuity)	5,633.56	5,152.60
<b>Total</b>	<b>5,633.56</b>	<b>5,152.60</b>

**Note - 5 : Short Term Borrowings**

Particulars	As at 31.03.2022	As at 31.03.2021
<u>Secured Short Term Borrowings from Banks</u>		
Cash Credit Facility with Bank of Baroda (Security : See Note below)	19,238.05	49,637.33
Cash Credit Facility with Axis Bank (Security : See Note below)	24,590.39	24,907.63
Unsecured Loans	-	-
<u>Other Current Financial Liabilities</u>		
Security Deposits	51,967.96	24,209.25
Other Payables	753.20	47.55
Current Maturities of Non Current Borrowings	28,245.27	32,748.89
<b>Total</b>	<b>1,24,794.86</b>	<b>1,31,550.64</b>

**Note - 5.1 : Secured Short Term Borrowings from Bank**

Particulars	As at 31.03.2022	As at 31.03.2021
Cash Credit Facility with Bank of Baroda	19,238.05	49,637.33
Cash Credit Facility with Axis Bank	24,590.39	24,907.63
<b>Total</b>	<b>43,828.43</b>	<b>74,544.96</b>

**Note - 5.2 : Other Current Financial Liabilities**

Particulars	As at 31.03.2022	As at 31.03.2021
Security Deposits	51,967.96	24,209.25
Other Payables	753.20	47.55
<b>Total</b>	<b>52,721.16</b>	<b>24,256.79</b>

(i) C.C. limit from Bank of Baroda is secured by way of equitable mortgage of Factory Land situated at Survey No. 60, 61/P2, 64, 65, 66, 67, 76 & 77 of Mouje Borvai & Survey No. 359/3/P1 and 359/3/P2 and construction thereon situated at Mouje Rajpur Taluka Dhasura, District Sabarkantha being situated at Rajpur Road, Mangapura Kampa, Near M K Stone Vadgam Guajrat (Lease Hold) in the name of the company.

(ii) C.C. limit from Bank of Baroda is secured by way of equitable mortgage of Land & Building situated at Block No. 394 paiki Final Plot No. 74 of T P Scheme No. 17 Nr. APMC Market, Mauje Chiloda, Tal. & Dist. Gandhinagar owned by company and named as "OM Education Trust"

(iii) C.C. limit from Bank of Baroda is secured by way of equitable mortgage of N.A. Land bearing block no. 396 being allotted Final Plot No. 76 paiki admeasuring about 6508 sq. mtrs. (allotted in lieu of Old Survey No. 449/1) and building construction thereon & N.A. Land bearing block no. 393 being allotted final plot no. 73 of DTP No. 17 (Chiloda) admeasuring 2168 Sq. Mtr. and construction thereon situated near APMC Market, Mouje Chiloda, Tal & Dist. Gandhinagar, owned by the company and named as "OM Education Trust."

(iv) C.C. Limit from Bank of Baroda is secured by way of personal guarantee of Girishbhai Raval, Bhaminiben Raval and Ashokkumar Raval. C.C. limit from Axis Bank is secured by way of personal guarantee of Girish Raval, Bhaminiben G. Raval, Ashokkumar Raval, Rameshbhai K Patel, and Vishbubhai S Patel.

(v) C.C. Limit from Bank of Baroda and Axis Bank are charged by way of Hypothecation of entire stock of raw material, stock in process, stores and spares, packing material, finished goods, book debt, Plant & Machineries, Equipments, Electrical installations (Except vehicle financed by other Banks/NBFCs)

(vi) C.C. limit from Axis Bank is secured by way of mortgage of Land & building situated at R.S. No. 716, Shreeji Kunj, Village Road, Village-Ishanpur Mota, Tal Dist. Gandhinagar

**Note - 6 : Trade Payables**

(Amount in '000)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Trade Payable Ageing Schedule</b>		
(i) MSME	-	65.60
(ii) Others		
Not Due	-	-
<1 Year	1,35,636.92	29,029.98
1-2 Years	5,636.51	3,734.77
2-3 Years	1,194.06	1,969.63
>3 Years	4,000.39	416.28
<b>Total</b>	<b>1,46,467.88</b>	<b>35,150.66</b>
(iii) Others (Disputed)		
Not Due	-	-
<1 Year	-	-
1-2 Years	-	-
2-3 Years	-	-
>3 Years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
(iii) Unbilled Dues		
Not Due	-	-
<1 Year	-	-
1-2 Years	-	-
2-3 Years	-	-
>3 Years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note - 7 : Other Current Liabilities**

Particulars	As at 31.03.2022	As at 31.03.2021
Duties and Taxes	7,974.69	15,379.23
Other Payables	30,078.47	3,935.46
<b>Total</b>	<b>38,053.16</b>	<b>19,314.69</b>

**Note - 7.1 : Duties and Taxes**

Particulars	As at 31.03.2022	As at 31.03.2021
TDS Payable	7,752.98	13,266.88
Professional Tax	93.00	63.28
GST & Service Tax	128.71	786.47
VAT	0.00	1,262.60
<b>Total</b>	<b>7,974.69</b>	<b>15,379.23</b>

**Note - 8 : Short Term Provisions**

Particulars	As at 31.03.2022	As at 31.03.2021
<u>Provision for Employee Benefits</u>		
Gratuity Provision	1,126.94	480.96
<u>Other Provisions</u>		
Provision For Audit Fees	198.00	203.50
Provision for Electricity Expenses	438.07	627.72
Provison for Income Tax	6,250.00	10,000.00
Provision for Interest on late payment to MSME trade payables	0.09	1.76
<b>Total</b>	<b>8,013.10</b>	<b>11,313.94</b>

# Annual Report 2021-22

## RACHANA INFRASTRUCTURE LIMITED

### Property, Plant and Equipments

#### Note - 9 : Tangible Assets

(Amount in '000)

Sr. #	Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1 April 2021	Additions	Deductions/Adjustments	Balance as at 31.03.2022	Balance as at 1 April 2021	Depreciation for the period	Adjustments	Balance as at 31.03.2022	As at 31.03.22	As at 31.03.21
1	Land	36,716.41	-	-	36,716.41	-	-	-	0.00	36,716.41	36,716.41
2	Buildings	7,448.99	-	31.71	7,417.28	3,335.01	395.22	-	3,730.23	3,687.05	4,113.99
3	Plant and Equipments	2,73,855.57	22,021.48	13,923.83	2,81,953.22	2,18,916.44	15,697.67	12,387.30	2,22,226.80	59,726.41	54,939.13
4	Motor Car	15,127.89	813.20	-	15,941.09	7,769.56	2,308.83	-	10,078.38	5,862.70	7,358.33
5	Computer and Data Processing Units	2,193.29	-	-	2,193.29	2,025.50	43.47	-	2,068.97	124.32	167.79
6	Furniture and Fixtures	1,738.64	-	-	1,738.64	981.85	190.65	-	1,172.50	566.14	756.79
7	Office Equipments	4,413.89	256.35	-	4,670.24	3,727.82	264.73	-	3,992.55	677.69	686.07
	Total	3,41,494.68	23,091.03	13,955.54	3,50,630.16	2,36,756.18	18,900.56	12,387.30	2,43,269.44	1,07,360.72	1,04,738.50
	Previous Year	4,03,493.07	6,669.18	68,667.58	3,41,494.67	2,58,323.59	22,712.13	44,279.54	2,36,756.18		1,45,169.48

#### Note - 9 : Intangible Assets

Sr. #	Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1 April 2021	Additions	Deductions/Adjustments	Balance as at 31.03.2022	Balance as at 1 April 2021	Depreciation for the year	Adjustments	Balance as at 31.03.2022	As at 31.03.22	As at 31.03.21
1	NWAY Software	850.00	-	-	850.00	667.95	82.05	-	750.00	100.00	182.05
2	Road Estimator Software	67.50	-	-	67.50	32.59	16.74	-	49.33	18.17	34.91
	Total	917.50	-	-	917.50	700.54	98.79	-	799.33	118.17	216.96
	Previous Year	917.50	-	-	917.50	519.00	181.54	-	700.51		398.50

## Notes to Balance Sheet

## Note - 10 : Non Current Investments

(Amount in '000)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Investment In Government or Trust Securities</b>		
Sardar Sarovar Narmada Nigam Ltd	3,446.96	3,369.96
<b>Investment In Property</b>		
Land	98,379.87	98,918.37
Buildings	1,17,158.52	1,17,158.52
Less: Accumulated Depreciation	37,805.63	
Less: Depreciation for current year	2,157.78	-
Total WDV of Buildings	77,195.10	1,17,158.52
<b>Total</b>	<b>1,79,021.93</b>	<b>2,19,446.84</b>

\*Land and Building are given on lease to Om Education Trust, Rental Income from the same has been classified as Non operating Income.

Particulars	As at 31.03.2022	As at 31.03.2021
Deferred tax Asset at the beginning	18,256.98	14,440.52
Tax effect of items constituting deferred tax liability	-960.55	3,816.46
<b>Net Deferred Tax Assets</b>	<b>17,296.42</b>	<b>18,256.98</b>

## Note - 11 : Other Non Current Asset

Particulars	As at 31.03.2022	As at 31.03.2021
Margin Money	8,161.10	7,867.46
Fixed Deposits against Bank Guarantee	19,072.88	36,065.40
Fixed Deposits with Bank (Placed as Security Deposit)	2,597.62	
<u>Unsecured, considered good:</u>		
Security Deposits/Performance Money/Retention Money	1,47,638.61	1,06,240.24
<b>Total</b>	<b>1,77,470.20</b>	<b>1,50,173.11</b>

\*Security Deposits/Performance Money/Retention Money includes Security Deposit of Rs. 32,264.93 held with M/s Fernas Construction. The recovery of the same is under dispute. The company has filed suit under MSMED Act 2006 dated 30th June 2018. At present, the case is pending before MSME Appellate Tribunal. Management is hopeful of favorable judgement for recovery of the pending amount.

**Note - 12 : Inventories**

(Amount in '000)

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Stock In Trade</b>		
Stock at Quarry*	44,343.86	32,097.34
<b>Total</b>	<b>44,343.86</b>	<b>32,097.34</b>

\* Stock In Trade includes stock of Black Trap of 6 MM, 10MM, 20MM, 40MM and Dust

**Note - 13 : Trade Receivable**

Particulars	As at 31.03.2022	As at 31.03.2021
(i) Undisputed Trade Receivables - considered good		
(a) Less than 6 months	29,483.04	1,20,034.30
(b) 6 months - 1 year	11,823.24	2,859.00
(c) 1-2 Years	25,422.88	45,897.25
(d) 2-3 Years	45,921.26	6,086.93
(e) more than 3 years	9,547.45	1,254.00
<b>Total</b>	<b>1,22,197.87</b>	<b>1,76,131.48</b>
(ii) Undisputed Trade Receivables - considered doubtful	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
Particulars	As at 31.03.2022	As at 31.03.2021
(iii) Disputed Trade Receivables - considered good		
<b>Total</b>	<b>-</b>	<b>-</b>
(iv) Disputed Trade Receivables - considered doubtful	52,891.40	52,891.40
<b>Total</b>	<b>52,891.40</b>	<b>52,891.40</b>
Allowance for bad and doubtful debts		
(b) Undisputed Trade Receivables - considered doubtful		
(d) Disputed Trade Receivables - considered doubtful		
	-	-
Debts due by directors/officers or debts due by firms or private companies in which any director is a partner or a director or a member.		
<b>Total Trade Receivables</b>	<b>1,75,089.27</b>	<b>2,29,022.88</b>

Trade Receivable includes receivables of Rs. 5,28,91.40 from M/s Fernas Construction. The company has filed recovery suit under MSMED Act 2006. At present, the matter is pending before MSME Appellate Tribunal. Management is hopeful of the getting favorable judgement. However, on a conservative approach, the same is disclosed as Disputed Trade Receivable considered doubtful.

**Note - 14 : Cash and Cash Equivalents**

Particulars	As at 31.03.2022	As at 31.03.2021
<b>Balance with Banks</b>		
In Current Accounts	0.00	111.38
<b>Cash on Hand</b>		
Cash on Hand	3,514.25	6,075.72
Fixed Deposits with Banks with less than 12 Months maturity	6,212.70	0.00
<b>Total</b>	<b>9,726.95</b>	<b>6,187.10</b>

**Notes to Balance Sheet****Note - 15 : Loans**

(Amount in '000)

Particulars	As at 31.03.2022	As at 31.03.2021
Inter Corporate Deposit	3,474.26	4,263.11
<u>Unsuecred Considered Good:</u>		
Loans and Advances to Other parties	2,685.64	4,110.57
Loans and Advances to related parties	500.00	500.00
<b>Total</b>	<b>6,659.89</b>	<b>8,873.68</b>

**Note - 16 : Other Current Assets**

Particulars	As at 31.03.2022	As at 31.03.2021
Balance With Government Authorities	53,219.28	31,577.59
Security Deposits/With Held Money/Retention Money	38,528.81	36,417.81
Prepaid Expenses	518.29	433.97
Contract WIP	1,70,126.51	89,250.00
Other Receivables	59,115.43	-
<b>Total</b>	<b>3,21,508.32</b>	<b>1,57,679.37</b>

Note - Balance with Government Authorities include 20800.00 paid to GST Department on account of search initiated by Director General of GST Inteligence (DGGI) Nagpur. (Previous year Rs. 2500.00)

## Notes to Profit and Loss Account for the year ended on 31.03.2022

**Note - 17 : Revenue From Operations**

(Amount in '000)

Particulars	2021-22	2020-21
<b>Value of Sales</b>		
Sales of Products	1,52,810.19	1,58,667.96
<b>Income from Services</b>		
Contract Receipts	4,79,171.63	8,79,238.39
<b>Total</b>	<b>6,31,981.82</b>	<b>10,37,906.35</b>

**Note - 18 : Other Income**

Particulars	2021-22	2020-21
<b>Interest Income</b>		
Bank Deposits	2,344.49	2,808.93
<b>Total</b>	<b>2,344.49</b>	<b>2,808.93</b>
<b>Other Non Operating Income</b>		
Rent Income	10,884.00	15,181.80
Gain on Compulsory Acquisition of Land	936.42	-
Hiring Income	1,243.67	963.30
Miscellaneous Income	3,143.85	226.59
Discount Income	4,420.38	152.98
Sundry Balances Written off	5,661.19	1,877.90
<b>Total</b>	<b>26,289.51</b>	<b>18,402.56</b>
<b>Total Other Income</b>	<b>28,633.99</b>	<b>21,211.50</b>

**Note - 19 : Direct Expenditure**

Particulars	2021-22	2020-21
Construction and Civil Work Expense	2,93,329.54	7,03,941.32
Power and Fuel	86,795.85	67,777.57
Hiring Charges	26,073.91	7,949.29
Labour Expense	5,476.86	2,506.15
Royalty Expenses	28,524.72	33,433.52
Drilling Expenses	45.00	-
Emulsion Expenses	2,164.06	756.62
Road Furniture and Accessories Expenses	838.75	2,133.00
Chemical Expenses	19.50	30.50
Sub Contract Charges	957.50	-
<b>Total</b>	<b>4,44,225.70</b>	<b>8,18,527.96</b>

**Note - 20 : Change in Inventories**

Particulars	2021-22	2020-21
Opening Stock	32,097.34	29,596.38
Less: Closing Stock	44,343.86	32,097.34
<b>Total</b>	<b>-12,246.52</b>	<b>-2,500.96</b>

**Note - 21 : Employee Benefit Expenses**

Particulars	2021-22	2020-21
<b>Salaries and Wages</b>		
Salary Expenses	52,470.33	52,205.93
<b>Contribution to Provident and Other Funds</b>		
Employer's Contribution to Provident Fund	432.69	474.24
Gratuity Expenses	1,126.94	690.15
Administrative Charges (PF)	33.96	31.38
Labour Welfare Fund	-	1,398.60
Staff Welfare Expenses	130.58	243.68
Mess Expenses	3,113.76	3,689.49
<b>Total</b>	<b>57,308.26</b>	<b>58,733.48</b>

**Note - 22 : Finance Cost**

Particulars	2021-22	2020-21
Bank Interest and Other Charges	6,627.87	10,922.15
Interest on TDS	-	2,525.60
Other Interest	21,064.31	20,796.99
Finance Charges	7,435.11	9,144.99
Bank Charges	102.07	83.68
Bank Guarantee & Loan Processing Charges	4,211.12	6,794.61
<b>Total</b>	<b>39,440.48</b>	<b>50,268.02</b>

**Note - 23 : Other Expenses**

Particulars	2021-22	2020-21
Bad Debt	<b>0.00</b>	924.53
<u>Payment to Auditors</u>		
As Audit Fees	220.00	230.90
For other services	375.00	-
Rent Expenses	2,334.05	1,199.22
Lease Rental Expenses	3,254.47	5,113.76
Repairs to Plant and Machinery	12,658.18	16,915.13
Insurance Expenses	798.16	1,513.52
Rates and Taxes (Excluding Taxes on Income)	350.02	329.53
Legal and Professional Fees	2,807.25	1,080.15
Site Expenses	950.50	1,825.62
Plant Operate Charges	6,036.65	5,500.94
Transportation Expenses	29,251.27	4,819.09
Loading & Unloading Exp.	82.84	34.08
Loss on Sale of Fixed Assets	616.68	-11,449.49
RTO Tax Expense	514.19	1,015.85
Security Expenses	1,083.93	1,395.30
Water Expenses	153.23	290.47
Consultancy Fees	1,074.26	1,332.50
Electrical Expenses	1,478.74	1,835.86
CSR Expenses	1,207.50	1,539.54
Other Expenses	16,861.89	22,565.31
<b>Total</b>	<b>82,108.82</b>	<b>58,011.81</b>

**Note No.: 24 Corporate Information:****(Amount in '000)**

Rachana Infrastructure Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in business of Infrastructure Projects and Quarry Mining.

**(A) Statement of Significant accounting policies:****1. Basis for Preparation and Presentation:**

The Financial statement are prepared on accrual basis as a going concern under historical cost convention in accordance with the generally accepted accounting principles in India, the accounting standards issued by the Institute of Chartered Accountants of India and as per the requirements of The Companies Act, 2013

**2. Use of estimates:**

The estimates and judgments used in the preparation of financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors that the management believes to be reasonable under existing circumstances.

Difference between actual results and estimates are recognized in the period in which the results are known/materialized. The said estimates are based on the facts and the events, that existed as at the reporting date, or that date but provide additional evidence about conditions existing on the reporting date.

**i. Depreciation/amortization and useful lives of property, plant and equipment/intangible assets:**

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

**ii. Recoverability of trade receivables:**

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counter party, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

**3. Property, Plant and Equipment:**

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation on Property, Plant and Equipment is provided using Written Down Value (WDV) method on depreciable amount based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. In respect of the Property, Plant and Equipment purchased during the year, depreciation is provided on pro rata basis from the date on which such asset is ready to be put to use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any such change in the estimate accounted for on a prospective basis. The estimated useful lives and residual values are as prescribed in Schedule II to the Companies Act, 2013 except for Building held as Investment Properties, which are based on technical evaluation of useful life by the management.

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

The estimated useful lives of items of Property, Plant & Equipment as prescribed in Schedule II of Companies Act, 2013 as follows:

Asset Class	Useful Life (In Years)
Plant & Machinery	3-15
Motor Vehicles	5-10
Computer and Data Processing Units	3
Furniture and Fittings	10
Laboratory Equipments	5-10
Electrical Installations and Equipment	3-5
Office Equipments	3-10
Buildings	30
Investment Property (Building)	60

#### 4. Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated depreciation and accumulated impairment loss. Intangible Assets mainly consists of Computer Software having estimated useful life of 5 years. The depreciation expense on intangible assets with finite lives and impairment loss is recognized in the Statement of Profit and Loss.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

If there has been a significant change in the expected pattern of economic benefits

from the asset, the amortization method is changed to reflect the changed pattern. An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in statement of profit and loss when the asset is de-recognized.

#### 5. Revenue Recognition:

- i. Revenue from operations of Stone Quarry are recognized as per AS 9 'Revenue Recognition' while revenue from operations of Road Construction are recognized as per AS 7 'Construction Contract' issued by Institute of Chartered Accountants of India.
- ii. Revenue from contracts is recognized on the basis of percentage completion method given as per AS 7.
- iii. Revenue from sale of goods is recognized when property in goods is transferred to the buyer and the same is measurable at the time of sale and there is no uncertainty regarding ultimate collection from the buyer.
- iv. Contract revenue and its associated costs are accrued and recognized by reference to the stage of completion of the contract at the reporting date. Contract revenue comprises the initial amount of revenue agreed upon in the contract, the changes in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured. Contract cost comprises of cost that relate directly to the specific contract, cost that are attributable to contract activity in general and can be allocated to the contract and such other cost as are specifically chargeable to the customer under the terms of the contract. Stage of completion is determined based on the survey of work performed at the end of each year. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognized in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods. Any excess revenue recognized in accordance with the stage of completion of the project, in comparison to the amounts billed in accordance with the milestones completed as per the respective project, is accrued as unbilled revenue. An expected loss on construction contract is recognized as an expense immediately when it is certain that the total contract costs will exceed the total contract revenue.
- v. Interest income from Investment is accounted when the same is accrued.
- vi. Other Income and government benefits, subsidies, refunds etc. are accounted when right to receive is established.

#### 6. Inventories:

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other direct costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Cost of finished goods, work-in-progress, raw materials, chemicals, stores and spares, packing materials, trading and other products are determined on FIFO basis.

#### 7. Investment:

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Profit and Loss Account.

#### Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost comprises purchase price and directly attributable cost of bringing the investment property to its working condition for the intended use.

Depreciation is not provided on building component of investment property.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Profit and Loss Account.

The Company has not provided depreciation on Investment property upto March 31<sup>st</sup>, 2021. During the year the company has changed the policy and provided depreciation on Investment Property and depreciation upto March 31<sup>st</sup>, 2021 amounting to Rs. **37805.63** has been provided in current year. Out of these Rs. 13,674.83 pertain to Revalued Asset and charged to Revaluation Reserve. Rs. 24,130.80 pertain to Cost Price and charged to Surplus.

During the current financial year, the company has provided Depreciation of Rs. **2157.78** on Investment Property (including depreciation on Revalued amount of Rs. 666.09/- and charged to Revaluation Reserve.).

#### 8. Borrowing Costs:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets till the date it is ready for its intended use are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

## 9. Employee Benefits:

### (i) 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, performance incentives, etc., are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

### (ii) Post-Employment Benefits:

#### (a) Defined Contribution Plans:

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service.

#### (b) Defined Benefit Plans:

Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Rachana Infrastructure Limited operates post-employment defined benefit plan i.e. gratuity plan (the plan). The plan is unfunded and entitles an employee, who has rendered at least five years of continuous service, to receive half month's salary for each period of completed service at the time of retirement/resignation. The long term service incentive is accrued for all eligible employee of the Company and is payable on completion of 5 year of service

As per Accounting Standard 15 issued by Institute of Chartered Accountants of India, employee benefits should be determined on the basis of Actuarial Valuation. The company is making provisions for Gratuity on arithmetic basis taking the basis of Actuarial Valuation report for the F.Y. 2018-19 which is valid for 3 years i.e. up to 31.03.2022.

The employees are entitled to accumulate leave for availment as well as encashment subject to the rules. As per the regular past practice followed by the employees, the company does not create provisions for leave encashment. It will be recognized on actual payment basis.

During the period ended on 31.03.2022, the company has made provision of Rs. 1126.94 for Payment of Gratuity under the provisions of Payment of Gratuity Act, 1972.

## 10. Segment Reporting:

The Group's operating segments are established on the basis of those components of the Group that are evaluated on the basis of AS-17 (Segment Reporting), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

The Group has single principal operating and reporting Business segment; viz. Infrastructure Projects and related activity of Quarry Mining. These are subject to same risk and return. The company operates in geographical areas having similar economic environment and is subject to same risk and return. Therefore, there are no reportable business or geographical segment for which segment information is required to be disclosed.

## 11. Taxes on Income:

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss.

### i. Current Tax:

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

### ii. Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

The company has made provision of Rs. 6250.00 for taxation in the books of account in view of profit earned during the F.Y. 2021-22 as per the provisions of The Income Tax Act, 1961.

## 12. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and are liable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). Contingent Assets are not recognized, but disclosed in the financial statements, if an inflow of economic benefits is probable.

Contingent liabilities are not provided for, but are disclosed as below:

### Contingent Liabilities and Commitments

Particulars	(Amount in '000)	
	2021-22	2020-21
<b>(i)Guarantees</b>		
Guarantees to Banks and Financial Institutions against credit facilities extended to third parties and other Guarantees	16,60,89.88	17,92,64.19
Gujarat VAT assessment order for FY14-15	6,09,21.17	6,09,21.17
Goods and Service Tax Act (FY19-20 & 20-21)	1,75,07.50	Nil
<b>Total</b>	<b>2,44,518.55</b>	<b>2,40,185.37</b>

- In respect of VAT assessment for the year 2014-15, an appeal has been filed and the management is confident of tax and interest liability on account of assessment by appellate authority to the tune of Rs. 2500.00 only.
- In respect of GST for FY 2019-20 & 2020-21, a search was initiated by Director General of GST Intelligence (DGGI) in the premises of the company. As a result of search, the company made liable to reverse input tax credit of Rs. 38307.50 for the F.Y. 2019-20 & 20-21. Out of the same, the company has paid Rs. 5000.00 through duty reversal and Rs. 15,800.00 paid through cash ledger. Management has taken advice of GST consultant and according to their advice an application was filed to GST department stating that the said payment of Rs. 20800.00 shall be treated as duty payment under protest. After taking professional consultation, the management is confident of getting back Rs. 20800.00 paid to GST department which is considered as Balance with Government Authorities under the head Loans and Advances and remaining Rs. 17,507.50 is considered as contingent liability.

### 13. Earnings per Share (EPS):

Basic Earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share adjust the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

#### 14. Cash and cash equivalents:

Cash and cash equivalents include cash at bank, cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

#### 15. Cash flow Statement:

The cash flow statement has been prepared under the indirect method as set out in Accounting Standard (AS 3) statement of cash flows. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

#### 16. Related Party Disclosure (AS 18):

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the below mentioned table:

(Amount in '000)

Sr. No.	Name of Related Party	Nature of Relationship	Nature of Transaction	As at 31.03.2022	As at 31.03.2021
1	Girish Raval	Key Managerial Personnel (KMP)	Remuneration Paid	4500.00	4500.00
			Interest Paid	Nil	Nil
			Loan Taken	27698.80	9100.00
			Loan Repaid	25006.25	5170.10
2	Ashok Raval	Director	Interest Paid	4207.61	5778.91
			Loan Repaid	19550.00	7000.00
3	Bhaminiben Baldevprasad Mehta	Director	Interest Paid	Nil	Nil
			Interest Received	Nil	Nil
			Loan Taken	Nil	6800.00
			Loan Repaid	Nil	2500.00
4	Jaydeep Raval	Relative of KMP	Remuneration Paid	3000.00	3000.00
5	Brijesh Raval	Relative of KMP	Remuneration Paid	3300.00	3300.00
6	Ishita Raval	Chief Financial Officer	Remuneration Paid	1200.00	1200.00
7	Devanshi Dave	Relative of KMP	Remuneration Paid	1200.00	1200.00
8	Bhamini Infrastructure Private Limited	Enterprises over which KMP and/or Relatives	Hiring Charges Paid	417.60	1987.90
			Sale of Goods	7329.44	9548.67

		of KMP are able to exercise Significant Influence	Interest Received	311.15	229.43
			Acceptance of Deposit	5720.00	0
			Repayment of Deposit	4631.15	2627.22
9	Om Education Trust	Enterprises over which KMP and/or Relatives of KMP are able to exercise Significant Influence	Interest Paid	6777.96	7159.28
			Rent Income	12004.14	10884.00
			Acceptance of Deposit	16296.46	12133.51
			Repayment of Deposit	17396.62	23755.84

### 17. Lease:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

### 18. Accounting for Taxes on Income (AS 22) Deferred Tax Liability/Asset in view of AS 22:

"Accounting for Taxes on Income" as at the end of the year/period is reported in the below mentioned table: (Amount in '000)

Particulars	As at 31.03.2022	As at 31.03.2021
Deferred Tax Asset	1,82,56.98	1,44,40.52
Tax effect on difference between depreciation as per books and as per Income Tax	(9,60.55)	38,16.46
Net Deferred Tax Asset	17,296.42	1,82,56.98

### 19. Disclosure pursuant to Accounting Standard (AS) 7 (Revised) "Construction Contracts"

(Amount in '000)

Particulars		2021-22	2020-21
Total Revenue (Bill raised up to 31.03.22)	A	2294157.84	2001099.26
Total Project Revenue	B	3074121.04	3174321.04
Estimated Total Project Cost	C	3018118.01	3116563.01
Contract Cost incurred till 31.03.22	D	2420262.95	2056726.72
% Completion based on cost incurred till 31.03.22	D/C	80.19%	65.99%
Revenue based on % Completion	A/B	74.63%	63.04%
Actual WIP Sales		170126.51	89250.00
Amount due to Customers for contract work at the end of the financial year		Nil	Nil

**20. Impairment of Assets:**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life.

**(B) Notes on Accounts:-**

1. Additional Regulatory Information detailed in Clause 6L of General Instructions given in Part 1 of Division II of Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.
2. Disclosure in respect of borrowings from Banks and Financial institutions on the basis of security of current assets
  - (a) Quarterly returns of statement of current assets filed by the Company with the Axis Bank and Bank of Baroda are in agreement with the unaudited books of accounts.
3. Registration or satisfaction of charges not registered with Registrar of Companies

(Amount in '000)

Charge holder name	Date of Creation	Date of satisfaction	Amount	Charge ID	Comment
Tata Capital Financial Services Ltd.	29-01-18	07-02-22	2257.00	100154171	Charge satisfaction not registered with ROC. Loan repaid but in view of existence of another loan on same asset, NOC from financier not received.
Tata Capital Financial Services Ltd.	06-02-18	07-02-22	1856.48	100154172	Charge satisfaction not registered with ROC. Loan repaid but in view of existence of another loan on same asset, NOC from financier not received.
Tata Capital Financial Services Ltd.	6-2-18	07-02-22	1037.57	100154146	Charge satisfaction not registered with ROC. Loan repaid but in view of existence of another loan on same asset, NOC from

						financer not received.
Tata Capital Financial Services Ltd.	Not Created	Not registered	2011.66	Not created		Charge not created. Hence satisfaction not registered.

**4. Analytical Ratios**

(Amount in '000)

Ratio	Numerator Amount	Denominator Amount	2021-22	2020-21	% change	Reason for Variation
Current Ratio	557,328.30	317329.01	1.755	2.1987	20%	
Debt Equity Ratio	341,394.13	49,90,33.92	0.68	0.66	4%	
DSCR	89117.48	74178.01	1.2014	1.3791	13%	
ROE	22077.46	49,90,33.92	4.42%	9.12%	51%	Due to increase in issued share capital
Inventory Turnover Ratio	165056.71	38220.60	4.32	5.2248	17%	
Debtors Turnover Ratio	566729.08	202056.08	2.8048	2.8482	2%	
Trade Payable Turnover	10,19,54.38	90809.27	1.1227	1.268	11%	
Net Capital Turnover Ratio	631981.81	239999.29	2.6663	4.388	40%	Due to decrease in turnover
NP Ratio	22077.46	631981.81	3.49%	4.53%	23%	
ROCE	6,87,28.49	69,83,36.76	0.098%	0.146%	33%	Due to decrease in turnover

**The basis of computation of above parameters is provided in the table below.**

Current Ratio	Current Assets / Current Liabilities
Debt Equity Ratio	(Non-current borrowings (+) current borrowings (-) cash and cash equivalent/ Equity
Debt Service Coverage Ratio (DSCR)	Profit before depreciation, amortization, finance costs, exceptional items and tax / (interest expenses (+) principal repayments of long-term debt (+) payment of lease liabilities)
Return on Equity (ROE)	Net Profit After Tax + Preference Dividend/Average Shareholders' Equity
Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory
Debtors Turnover Ratio	Net Credit Sales / Average Debtors
Trade Payables Turnover	Net Credit Purchase / Average Trade Payables
Net Capital Turnover Ratio	Net Sales / Average Working Capital # Average WC = Current Assets – Current Liabilities
Net Profit Ratio (NP Ratio)	(Net Profit After Tax / Net Sales)*100
Return on Capital Employed (ROCE)	Net Profit Before Interest and Tax / Capital Employed # Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

5. No funds 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 any other person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
6. Balances of Depositors, Sundry Debtors, Creditors and Advances are subject to confirmation and reconciliation.
7. Previous year figures have been regrouped, rearranged and recast to correspond with the figures of the current years.
8. All known liabilities have been provided for in the books of accounts for the year under report.
9. Payments to Auditors For-
 

	F.Y. 2021-22	F.Y. 2020-21
(i) Audit Fees	Rs. 220.00/-	Rs. 230.90/-
(ii) Other Matters	Rs. 375.00/-	Rs. Nil
10. Donation to Political Party:

Sr#	Name of Political Party	2021-22	2020-21
1	Bhartiya Janta Party (BJP)	Nil	500.00

11. The balances of the Deposits could not be verified and hence relied on the data provided by the management.
12. **CSR Activities:**

Sr#		Amount in Rs.
1	Amount required to be spent by the Company	1202.40
2	Amount of Expenditure incurred	1207.50
3	Shortfall at the end of the year	Nil
4	Total of Previous year shortfall	Nil
5	Reason for shortfall	N.A.
6	Nature of CSR Activities	Distribution of grocery to poor and needy people. Promotion of Education in Rural Areas
7	Details of related party transaction	Nil
8	Movement in provision during the year (where a provision is made with respect to a liability incurred by entering into contractual obligation)	Nil

**13. Trade Payables (Details of dues to Micro, Small and Medium Enterprises as per MSMED Act,2006):**

Particulars	31.03.2022	31.03.2021
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	Nil 0.092	63.85 1.76
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.092/-	1.76
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

14. The Company is a Level-I Enterprise as defined in applicability of Accounting Standards to Corporate Entities. Accordingly, the Company has complied with the Accounting Standards applicable to Level-1 Enterprise.

**Signature to Schedule 1 to 24**
**For, Rachana Infrastructure Limited**
**For, Ankit Chokshi & Co.**

(F. R. No. - 121722W)

(Chartered

Accountants)

 \_\_\_\_\_  
 Bhaminiben Mehta  
 Director  
 DIN: 01646822

 \_\_\_\_\_  
 Girishbhai Raval  
 Managing Director  
 DIN: 01646747

 \_\_\_\_\_  
 Ankit Chokshi  
 (Partner)  
 M.No. 110303  
 UDIN: 22110303AQMOYN3970  
 Date: 01-09-2022  
 Place: Ahmedabad

 \_\_\_\_\_  
 Ishita P Raval  
 C.F.O.

 \_\_\_\_\_  
 C.S. Smit Shah

---

**RACHANA INFRASTRUCTURE LIMITED**  
**CIN: U45203GJ2001PLC039725**

**Reg. Office: 404, 405, 4th Floor, Angel Complex, Nr.  
Income Tax Railway Crossing, Nr. Oasis Hotel,  
Navrangpura Ahmedabad Gujarat 380009 India**

[info@rachanainfra.com](mailto:info@rachanainfra.com)

[www.rachanainfra.com](http://www.rachanainfra.com)

---