



# H. B. PUROHIT & CO.

## CHARTERED ACCOUNTANTS

A-324, Siddhi Vinayak Tower, Off S. G. Highway, Makarba, Ahmedabad - 380 051  
(M) +91 98240 10289 (O) 079-4800 6401 □ Email : hbpurohit.ahmedabad@gmail.com

### INDEPENDENT AUDITORS' REPORT

To

The Members of **DHARA RAIL PROJECTS PRIVATE LIMITED**

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

#### Opinion

We have audited the accompanying financial statements of **DHARA RAIL PROJECTS PRIVATE LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2021, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 ('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, 2021, its profit and cash flows for the year ended on that date.

#### Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the 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 opinion.

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





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

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's 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 the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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. The board of directors are also responsible for overseeing the Company's financial reporting process.





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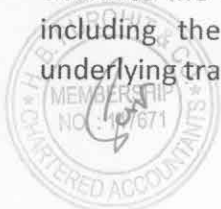
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### Auditor's responsibilities for the audit of the financial statements

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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.





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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on other legal and regulatory requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, and 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 rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;





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(f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017; and

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

a. The Company does not have any pending litigations which would impact its financial position;

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

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

Place: Ahmedabad

Date: 24/11/2021

UDIN: 21147671A AAAAC3672



For H. B. Purohit & Co.

(Chartered Accountants)

Firm Reg. No 108240W

SANKET S PRAJAPATI

(Partner)

M. No. 147671



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### Annexure "A" to the Independent Auditor's Report\*

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of M/s. DHARA RAIL PROJECTS PRIVATE LIMITED of even date)

1. In respect of the Company's fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets of the Company were physically verified in full by the management during the year. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the records examined by us, we report that the Company does not hold any freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.
2.
  - (a) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its business.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. The discrepancies noticed on verification between physical stocks and the books of accounts were not material.



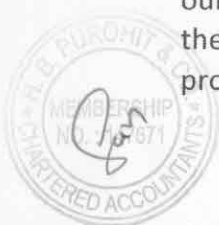


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3. (a) The company has granted unsecured loans to one party listed in the register maintained under section 189 of the Companies Act, 2013 (the Act) wherein the balance receivable as at the year-end is 1,51,26,720/-. The maximum amount outstanding during the year was Rs. 1,67,61,034/-.
- (b) In the case of the loans granted to the parties listed in the register maintained under section 189 of the Act, is interest free loan. The terms of arrangement do not stipulate any repayment schedule and the loans are repayable on demand. In our opinion, the rate of interest and other terms and conditions of such loans are not, prima facie, prejudicial to the interest of the company
- (c) Since the term of arrangement do not stipulate any repayment schedule and the loans are repayable on demand, no question of overdue amounts will arise in respect of the loans granted to the parties listed in the register maintained under section 189 of the Act.
4. In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.
5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.
6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
7. In respect of statutory dues:
  - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax,





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and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax and other material statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable

- (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of provident fund, employees' state insurance, income-tax, goods and service tax and duty of customs which have not been deposited on account of any dispute.
8. According to the information and explanation given to us and records examined by us, the Company has not defaulted in repayment of dues to banks financial institutions.
9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11. The company is a private limited company and hence provision of section 197 read with schedule V of the companies Act are not applicable. Accordingly, paragraph 3(xi) of the order is not applicable.
12. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company. According to the information and explanations given to us and based on our examination of the records of the company, the company has complied with the provisions of Chit Fund Act of 1982, except in so far as these provisions are applicable to the accounts under audit.





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13. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.
15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
16. According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Ahmedabad

Date: 24/11/2021

UDIN: 22147671 AAAAAC3672



For H. B. Purohit & Co.  
(Chartered Accountants)  
Firm Reg. No 108240W

SANKET S PRAJAPATI

(Partner)

M. No. 147671

**M/S. DHARA RAIL PROJECTS PRIVATE LIMITED**

**BALANCE SHEET AS AT 31ST MARCH 2021**

(Amount in `)

Particulars	Note No.	Figures for the current reporting period as at 31/03/2021	Figures for the previous reporting period as at 31/03/2020
<b>I EQUITY AND LIABILITIES</b>			
(i) <u>Shareholder's Fund</u>			
(a) Share Capital	2.1	1,000,000	1,000,000
(b) Other Equity	2.2	17,904,002	13,910,103
(c) Money received against Share Warrants		-	-
(ii) Share Application Money Pending Allotment		-	-
(iii) <u>Non Current Liabilities</u>			
(a) Long Term Borrowings	2.3	77,964,942	94,242,487
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
(iv) <u>Current Liabilities</u>			
(a) Short Term Borrowings		-	-
(b) Trade Payables	2.4	148,516,667	75,357,200
(c) Other Current Liabilities	2.5	2,664,567	686,908
(d) Short Term Provisions	2.6	3,200,000	2,900,000
<b>TOTAL</b>		<b>251,250,177</b>	<b>188,096,697</b>
<b>II ASSETS</b>			
(i) <u>Non Current Assets</u>			
(a) Property, Plant and Equipment	2.7		
- Tangible Assets		2,161,079	622,995
- Intangible Assets		5,296	9,980
- Capital Work In Progress		-	-
- Intangible Assets Under Development		-	-
(b) Non Current Investments	2.8	56,091,985	6,000,000
(c) Deferred Tax Assets (Net)	2.9	94,088	47,886
(d) Long Term Loans and Advances	2.10	244,000	244,000
(e) Other Non Current Assets		-	-
(ii) <u>Current Assets</u>			
(a) Current Investments		-	-
(b) Inventories	2.11	925,100	425,200
(c) Trade Receivables	2.12	65,998,986	14,122,783
(d) Cash and Cash Equivalents	2.13	71,495,219	110,566,058
(e) Short Term Loans and Advances	2.14	54,234,424	56,057,795
(f) Other Current Assets		-	-
<b>TOTAL</b>		<b>251,250,177</b>	<b>188,096,697</b>
Significant Accounting Policies and Notes to Accounts	1 to 10		

As per our report of even date.  
**FOR H.B PUROHIT & CO.**  
 CHARTERED ACCOUNTANTS  
 FIRM REGISTRATION NO. 108240W

**SANKET PRAJAPATI**  
 PARTNER  
 MEMBERSHIP NO. 147671

PLACE : AHMEDABAD  
 DATE: 24th November, 2021



**FOR DHARA RAIL PROJECTS PRIVATE LIMITED**

*Jagruti*

**JAGRUTI TEJAS MEHTA**  
 DIRECTOR  
 DIN: 02783659

*Ju*

**TEJAS LALIT MEHTA**  
 DIRECTOR  
 DIN: 02783675

**M/S. DHARA RAIL PROJECTS PRIVATE LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2021**

(Amount in `)

	Particulars	Note No.	Figures for the current reporting period as at 31/03/2021	Figures for the previous reporting period as at 31/03/2020
I	Revenue from Operations	3.1	238,856,990	243,475,193
II	Other Income	3.2	5,481,247	5,410,482
III	Total Revenue (I+II)		244,338,237	248,885,675
IV	Expenses			
	(a) Cost of Materials Consumed		-	-
	(b) Purchase of Stock in Trade		216,519,271	197,974,053
	(c) Changes in inventories of Finished Goods, Work in Progress and Stock in Trade	3.3	(499,900)	(99,975)
	(d) Manufacturing and Other Direct Expenses		-	-
	(e) Employee Benefit Expenses	3.4	16,485,116	32,757,844
	(f) Finance Costs	3.5	135,578	484,503
	(g) Depreciation and Amortization Expenses	3.6	489,773	188,638
	(h) Administrative and Other Expenses	3.7	5,157,957	11,163,205
	Total Expenses		238,287,795	242,468,268
V	Profit before Exceptional and Extraordinary items and Tax (III-IV)		6,050,442	6,417,407
VI	Exceptional Items (Loss on Sales of Fixed Asset)		311,404	-
VII	Profit before Extraordinary items and Tax (V-VI)		5,739,038	6,417,407
VIII	Extraordinary Items		-	-
IX	Profit Before Tax (VII-VIII)		5,739,038	6,417,407
X	Tax Expense			
	(a) Current Tax		(1,500,000)	(1,700,000)
	(b) Deferred Tax	3.8	46,202	4,883
	(c) Excess/Short Provision of Income Tax for Earlier Years		(291,341)	(239,127)
XI	Profit / (Loss) for the period from Continuing Operations (IX-X)		3,993,899	4,483,163
XII	Profit / (Loss) from Discontinuing Operations		-	-
XIII	Tax Expense of Discontinuing Operations		-	-
XIV	Profit / (Loss) from Discontinuing Operations after Tax (XII-XIII)		-	-
XV	Profit / (Loss) for the period (XI+XIV)		3,993,899	4,483,163
XVI	Earnings Per Equity Share			
	(a) Basic		39.94	44.83
	(b) Diluted		39.94	44.83
	Significant Accounting Policies and Notes to Accounts	1 to 10		

As per our report of even date.

FOR H.B PUROHIT & CO.

CHARTERED ACCOUNTANTS

FIRM REGISTRATION NO. 108240W

SANKET PRAJAPATI  
PARTNER  
MEMBERSHIP NO. 147671



PLACE : AHMEDABAD

DATE: 24th November, 2021

FOR DHARA RAIL PROJECTS PRIVATE LIMITED

*Jagruti*

JAGRUTI TEJAS MEHTA  
DIRECTOR  
DIN: 02783659

TEJAS LALIT MEHTA  
DIRECTOR  
DIN: 02783675

**M/S. DHARA RAIL PROJECTS PRIVATE LIMITED**

**Cash Flow Statement for the year ended 31 March, 2021**

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) for the year	5,739,038	6,417,407
<i>Adjustments for:</i>		
Depreciation and amortisation	489,773	188,638
Profit on sale of fixed assets	-	-
Tax Expense	(1,791,341)	(1,939,127)
Operating profit / (loss) before working capital changes	4,437,471	4,666,918
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Trade Receivable	(51,876,203)	11,025,807
Inventories	(499,900)	(99,975)
Short-term loans and advances	1,823,370	(4,756,696)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables and long term trade payables	73,159,467	34,421,157
Short term Borrowings	-	(4,821,923)
Short term provisions	300,000	(100,000)
Other current and non-current liabilities	1,977,660	(70,862)
	24,884,394	35,597,509
<b>Net cash used in operating activities (A)</b>	<b>29,321,865</b>	<b>40,264,427</b>
<b>B. Cash flow from investing activities</b>		
Fixed Assets Purchase	(2,434,077)	(11,000)
Proceeds from sale of Fixed Asset	410,904	-
Purchase of Investments	(50,091,985)	(6,000,000)
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(52,115,158)</b>	<b>(6,011,000)</b>
<b>C. Cash flow from financing activities</b>		
Long term Borrowing	(16,277,545)	8,204,548
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(16,277,545)</b>	<b>8,204,548</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(39,070,839)</b>	<b>42,457,975</b>
Cash and cash equivalents at the beginning of the year	110,566,058	68,108,083
<b>Cash and cash equivalents at the end of the year</b>	<b>71,495,219</b>	<b>110,566,058</b>
<b>See accompanying notes forming part of the financial statements</b>		

For H. B. Purohit & Co.  
Chartered Accountants  
Firm Registration No.: 108240W

FOR DHARA RAIL PROJECTS PRIVATE LIMITED

SANKET PRAJAPATI  
Partner  
MEMBERSHIP NO. 147671



*Jagruti*

JAGRUTI TEJAS MEHTA  
DIRECTOR  
DIN: 02783659

TEJAS LALIT MEHTA  
DIRECTOR  
DIN: 02783675

Place : Ahmedabad  
Date: 24th November, 2021

# M/S. DHARA RAIL PROJECTS PRIVATE LIMITED

## **SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021**

### **1. SIGNIFICANT ACCOUNTING POLICIES**

#### **1.1 Basis of Preparation of Financial Statements**

These financial statements have been prepared under historical cost convention from books of accounts maintained on an accrual basis (unless otherwise stated hereinafter) in conformity with accounting principles generally accepted in India and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013, of India. The accounting policies applied by the company are consistent with those used in previous year.

#### **1.2 Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### **1.3 Fixed Assets**

##### Tangible Fixed Assets :

⇒ Tangible assets are recorded at cost of acquisition or construction and all expenditure such as site preparation, installation costs, professional fees etc. incurred on the asset before it is put to use. Subsequent Expenditure incurred on assets put to use is capitalised only when it increases the future benefits from such assets or their functioning capability.

⇒ They are Stated at historical cost less accumulated depreciation, amortisation and impairment loss, if any.

##### Intangible Fixed Assets :

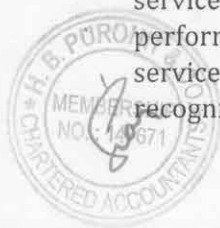
⇒ Intangible assets are stated at cost of acquisition less accumulated amortisation. They are amortised over a period of 5 years..

#### **1.4 Depreciation:**

Depreciation on fixed assets is provided on WDV method at the rates prescribed in Schedule II of the Companies Act, 2013. The useful life of all the asset has been reassess in accordance with Schedule II. Accordingly all the Assets are depreciated over the remaining useful life of the asset after retaining the residual value.

#### **1.5 Revenue Recognition**

Revenues/incomes and costs/expenditures are generally accounted on accrual, as they are earned or incurred, Moreover company is following completed service contract method of accounting prescribed under AS-9 Revenue Recognition which recognises revenue in the statement of profit and loss only when the rendering of services under a contract is completed or substantially completed. Performance consists of the execution of a single act. Alternatively, services are performed in more than a single act, and the services yet to be performed are so significant in relation to the transaction taken as a whole that performance cannot be deemed to have been completed until the execution of those acts. The completed service contract method is relevant to these patterns of performance and accordingly revenue is recognised when the sole or final act takes place and the service becomes chargeable.



## 1.6 Tax on Income

Current tax is determined as the amount of tax payable in respect of taxable income for the period.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## 1.7 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

## 1.8 Retirement Benefit

### Leave Encashment

Leave Encashment is payable as and when due & to that extent there is a contravention of Accounting Standard-15, which has become mandatory. However, the quantum of leave encashment payable is not worked out & therefore it is not possible to quantify the effect of the same on profit & loss a/c.

### Gratuity

Gratuity is payable as and when due & to that extent there is a contravention of Accounting Standard- 15, which has become mandatory. However, the quantum of Gratuity payable is not worked out & therefore. It is not possible to quantify the effect of the same on Profit & Loss A/c.

### Defined Contribution Plans

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to Employees Provident Fund. The Company's payments to the defined contribution plans are reported as expenses during the period in which the employees perform the services that the payment covers.

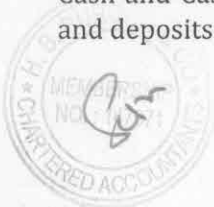
## 1.9 Valuation of Inventories

Inventories are valued at the lower of cost and net realisable value. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

## 1.10 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The Cash flows from operating, investing and financing activities of the Group are segregated.

Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand, bank balance and deposits with banks.



**M/S. DHARA RAIL PROJECTS PRIVATE LIMITED**

**2.7 Property, Plant and Equipment**

(Amount in `)

Particulars	Gross Block			Depreciation			Net Block		
	As at 01/04/2020	Additions / Adjustments during the period	Deductions / Retirement during the period	As at 31/03/2021	As at 01/04/2020	For the period	Deductions / Retirement during the period	As at 31/03/2021	As at 31/03/2020
I									
Tangible Assets									
(a) Plant and Equipment:-									
Aquadguard	8,590	-	-	8,590	7,474	215	-	901	1,116
Eureka forbes	20,205	-	-	20,205	14,747	906	-	4,552	5,458
Refrigerator	56,991	-	-	56,991	24,161	5,998	-	26,832	32,830
Mobile	244,891	-	-	244,891	230,944	7,289	-	6,658	13,947
Plant & Machinery	83,563	-	-	83,563	58,045	4,099	-	21,419	25,518
Printer HP	40,296	-	-	40,296	24,729	2,826	-	12,741	15,567
Office Equipments	279,484	-	-	279,484	219,225	14,314	-	45,945	60,259
(b) Furniture and Fixtures	57,577	-	-	57,577	39,951	4,579	-	13,047	17,626
(c) Vehicles	-	-	-	-	-	-	-	-	-
Car	714,000	2,434,077	714,000	2,434,077	303,096	426,396	303,096	2,007,681	410,904
(d) Computers	243,440	-	-	243,440	203,670	18,467	-	21,303	39,770
Sub-Total	1,749,037	2,434,077	714,000	3,469,114	1,126,042	485,089	303,096	2,161,079	622,995
II									
Intangible Assets									
Software	54,000	-	-	54,000	44,020	4,684	-	5,296	9,980
Sub-Total	54,000	-	-	54,000	44,020	4,684	-	5,296	9,980
III									
Capital Work In Progress									
Sub-Total	-	-	-	-	-	-	-	-	-
IV									
Intangible Assets under Development									
Sub-Total	-	-	-	-	-	-	-	-	-
Grand Total	1,803,037	2,434,077	714,000	3,523,114	1,170,062	489,773	303,096	2,166,375	632,975
Previous Year	1,792,037	11,000	-	1,803,037	981,424	188,638	-	632,975	810,613



**M/S. DHARA RAIL PROJECTS PRIVATE LIMITED**

2 Notes referred to in the Balance Sheet are as follows:

**2.1 Share Capital**

(Amount in `)

Particulars	As at 31/03/2021	As at 31/03/2020
(i) <b>Authorized Capital</b>		
1,00,000 Equity shares of ` 10 Each	1,000,000	1,000,000
(ii) <b>Issued, Subscribed and Paid Up Capital</b>		
1,00,000 Equity shares of ` 10 Each, fully paid up	1,000,000	1,000,000
<b>Total</b>	<b>1,000,000</b>	<b>1,000,000</b>

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31/03/2021	As at 31/03/2020
(i) <b>Equity Shares</b>		
No. of Equity Shares at the beginning of reporting period	100,000	100,000
Add: No. of Equity Shares issued during the period	-	-
Less: No. of Equity Shares bought back during the period	-	-
<b>No. of Equity Shares at the end of the reporting period</b>	<b>100,000</b>	<b>100,000</b>

List of the shareholders holding more than five percent of shares in the company as at the Balance Sheet date:

Names of the shareholder	As at 31/03/2021		As at 31/03/2020	
	No. of Shares	in %age	No. of Shares	in %age
Jagruti Tejas Mehta	40,000	40.00%	40,000	40.00%
Tejas Lalit mehta	40,000	40.00%	40,000	40.00%
Dhara Mehta	5,000	5.00%	5,000	5.00%
Megha Mehta	5,000	5.00%	5,000	5.00%
Lalit Mehta	10,000	10.00%	10,000	10.00%

Other disclosures related to Share Capital :

Particulars	As at 31/03/2021	As at 31/03/2020
(i) Aggregate number of Equity Shares allotted as fully paid up by way of bonus shares during the period of Five years immediately preceding the Balance Sheet date	-	-
(ii) Aggregate number of Equity Shares bought back during the period of Five years immediately preceding the Balance Sheet date	-	-

**2.2 Other Equity**

(Amount in `)

Particulars	As at 31/03/2021	As at 31/03/2020
(i) <b>Surplus</b>		
Opening Balance	13,910,103	9,426,940
Add: Profit for the year as per Statement of Profit & Loss	3,993,899	4,483,163
Total Profit available for Appropriation	17,904,002	13,910,103
Closing Balance	17,904,002	13,910,103
<b>Grand Total</b>	<b>17,904,002</b>	<b>13,910,103</b>

**2.3 Long Term Borrowings**

(Amount in `)

Particulars	As at 31/03/2021	As at 31/03/2020
(i) <b>Other Long Term Loans</b>		
(a) From Directors	77,964,942	94,242,487
<b>Total</b>	<b>77,964,942</b>	<b>94,242,487</b>

**2.4 Trade Payables**

(Amount in `)

Particulars	As at 31/03/2021	As at 31/03/2020
Trade Payables (Other than Micro and Small Enterprise)	148,516,667	75,357,200
<b>Total</b>	<b>148,516,667</b>	<b>75,357,200</b>

**2.5 Other Current Liabilities**

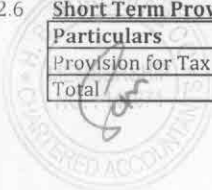
(Amount in `)

Particulars	As at 31/03/2021	As at 31/03/2020
Outstanding Expenses	65,808	79,360
Statutory Liabilities	2,579,920	600,825
Advance From Customer	18,839	6,723
<b>Total</b>	<b>2,664,567</b>	<b>686,908</b>

**2.6 Short Term Provisions**

(Amount in `)

Particulars	As at 31/03/2021	As at 31/03/2020
Provision for Tax	3,200,000	2,900,000
<b>Total</b>	<b>3,200,000</b>	<b>2,900,000</b>



**M/S. DHARA RAIL PROJECTS PRIVATE LIMITED**

2.8 Non Current Investments		(Amount in ₹)	
Particulars	As at 31/03/2021	As at 31/03/2020	
(a) Investment in Mutual Funds	56,091,985	6,000,000	
Grand Total	56,091,985	6,000,000	

2.9 Deferred Tax Assets (Net)		(Amount in ₹)	
Particulars	As at 31/03/2021	As at 31/03/2020	
(i) Deferred Tax Assets			
- For Depreciation			
WDV as at Balance Sheet date as per Companies Act	2,401,424	632,975	
WDV as at Balance Sheet date as per Income Tax Act	2,763,300	817,152	
Timing Difference	(361,876)	(184,177)	
Deferred Tax Asset	(94,088)	(47,886)	
Deferred Tax Assets	94,088	47,886	

2.10 Long Term Loans & Advances		(Amount in ₹)	
Particulars	As at 31/03/2021	As at 31/03/2020	
(i) Security Deposits			
Unsecured Considered Good	244,000	244,000	
Total	244,000	244,000	

2.11 Inventories		(Amount in ₹)	
Particulars	As at 31/03/2021	As at 31/03/2020	
Stock in Trade	925,100	425,200	
Total	925,100	425,200	

2.12 Trade Receivables		(Amount in ₹)	
Particulars	As at 31/03/2021	As at 31/03/2020	
Trade Receivables due by Others			
(i) Exceeding Six Months			
(a) Unsecured, Considered Good	3,105,054	3,105,054	
(ii) Others (Not Exceeding Six Months)			
(a) Unsecured, Considered Good	62,893,932	11,017,729	
Total	65,998,986	14,122,783	

2.13 Cash and Cash Equivalents		(Amount in ₹)	
Particulars	As at 31/03/2021	As at 31/03/2020	
Balances with Banks	4,436,012	25,924,914	
Cash on Hand	291,967	992,036	
Bank Deposits	66,767,240	83,649,109	
Total	71,495,219	110,566,058	

2.14 Short Term Loans and Advances		(Amount in ₹)	
Particulars	As at 31/03/2021	As at 31/03/2020	
(i) Advances recoverable in cash or kind			
(a) Advances	96,408	1,046,729	
(ii) Balance with Revenue Authorities			
(a) TDS/TCS Receivable	11,397,245	10,385,437	
(b) GST Receivable		3,255,150	
(iii) Loans and Advances to others			
(a) Unsecured, Considered Good	42,740,772	41,370,479	
Total	54,234,424	56,057,795	



**M/S. DHARA RAIL PROJECTS PRIVATE LIMITED**

3. Notes referred to in the Statement of Profit and Loss are as follows:

**3.1 Revenue from Operations**

(Amount in `)

Particulars	For the year ended on 31/03/2021	For the year ended on 31/03/2020
Sales	238,856,990	243,475,193
Total	238,856,990	243,475,193

**3.2 Other Income**

(Amount in `)

Particulars	For the year ended on 31/03/2021	For the year ended on 31/03/2020
Interest Income	5,062,673	4,869,285
Discount Income	-	118,370
Gain on Sale of Mutal Fund	362,288	422,827
Sundry Amt written back(net)	56,287	-
Total	5,481,247	5,410,482

**3.3 Changes in inventories of Stock in Trade**

(Amount in `)

Particulars	For the year ended on 31/03/2021	For the year ended on 31/03/2020
(i) Stock in Trade		
Opening Stock	425,200	325,225
Less: Closing Stock	925,100	425,200
(Increase) / Decrease in Inventory	(499,900)	(99,975)
Total (Increase) / Decrease in Inventory	(499,900)	(99,975)

**3.4 Employee Benefit Expenses**

(Amount in `)

Particulars	For the year ended on 31/03/2021	For the year ended on 31/03/2020
Salaries, Wages & Bonus	14,491,186	29,735,103
PF	697,729	1,217,089
ESIC	392,222	821,763
Remuneration to Directors	540,000	810,000
Staff Welfare Expenses	363,979	173,889
Total	16,485,116	32,757,844

**3.5 Finance Costs**

(Amount in `)

Particulars	For the year ended on 31/03/2021	For the year ended on 31/03/2020
Bank Charges	133,157	156,044
Interest on TDS and Service Tax	2,421	328,459
Total	135,578	484,503

**3.6 Depreciation and Amortization Expenses**

(Amount in `)

Particulars	For the year ended on 31/03/2021	For the year ended on 31/03/2020
Depreciation on Fixed Assets	489,773	188,638
Total	489,773	188,638



3.7 **Administrative and Other Expenses**

(Amount in `)

Particulars	For the year ended on 31/03/2021	For the year ended on 31/03/2020
Audit Fees	100,000	100,000
Bad Debt(Net Of Written Back)	-	326,529
Business Promotion Expenses	95,890	1,136,698
Conveyance	79,787	273,786
Electricity Charges	102,714	89,490
Inspection Charges	-	9,100
Late Payment Fees	7,880	52,210
Insurances	26,225	16,321
Legal & Professional fees	156,200	1,017,300
Mobile Expenses	-	9,239
Miscellaneous expenses	27,434	1,784
Office Expenses	114,600	127,744
Penalty -Service Tax	-	58,773
Penalty Expenses	2,162,983	4,329,907
Postage & Courier Charges	25,102	34,507
Printing & Stationery	40,793	87,073
Repairs & Maintainance Charges	91,380	226,121
Rent Expenses	58,700	89,000
GST & Service Tax	482,718	427,049
Telephone and Communication Expenses	49,098	56,671
Tender Charges	233,084	440,556
Transport Charges	485,155	623,312
Travelling Expenses	801,022	1,350,238
Vehicle Expenses	16,267	230,220
Water & Cess Charges	925	49,577
<b>Total</b>	<b>5,157,957</b>	<b>11,163,205</b>

## 3.7.1 :Payment to Auditors:

(Amount in `)

Particulars	For the year ended on 31/03/2021	For the year ended on 31/03/2020
(i) As Auditor	100,000	100,000
Total	100,000	100,000

3.8 **Deferred Tax**

(Amount in `)

Particulars	For the year ended on 31/03/2021	For the year ended on 31/03/2020
(ii) <u>Deferred Tax Asset</u>		
Opening Balance	47,886	43,003
Less: Closing Balance	(94,088)	(47,886)
(Increase) / Decrease in Deferred Tax Asset	(46,202)	(4,883)
Deferred Tax to be charged / (credited) to Statement of Profit and Loss	(46,202)	(4,883)



4. RELATED PARTY INFORMATION

The company has transactions with following related parties

<b>a) Key Management Personnel</b>	1. Tejas L Mehta
	2. Jagruti Mehta
	3. Lalit Mehta
	4. Megha Mehta
	5. Dhara Mehta
<b>b) Associates</b>	1. Lalit Mehta HUF
	2. Tejas Mehta HUF
	3. Dhara Industries
	4. Perfect Enterprises
	5. Ashar & Co.
	6. PE-DRPPL JV
	7. DRESPL-DRPPL JV

(Related parties as identified by the company and relied upon by the auditors)

Name of Party	Nature of relationship	Nature of Transaction	Transactions during the year	Balance at the end of the year
Tejas Mehta	Director	Loan Taken	2,600,000	19,783,609
		Loan Repaid	18,724,294	
		Director Remuneration	180,000	
Jagruti T Mehta	Director	Loan Taken	3,720,000	24,596,846
		Loan Repaid	16,795,716	
		Director Remuneration	180,000	
Lalit R Mehta	Director	Loan Taken	10,478,000	21,700,821
		Loan Repaid	9,612,425	
Dhara Mehta	Director	Loan Taken/Recd Back	7,080,000	6,246,775
		Loan Repaid/Given	1,200,000	
		Director Remuneration	180,000	
Megha Mehta	Director	Loan Taken/Recd Back	7,007,000	5,636,890
		Loan Repaid/Given	1,370,110	
PE-DRPPL JV	Associates	Advances to Supplier	10,000	10,000
		Sales	1,650,800	
DRESPL-DRPPL JV	Associates	Loan Recd Back	18,450,000	5,636,890
		Loan Given	27,095,140	
		Interest Income	455,536	
Ashar & Co.	Associates	Loan Recd Back	203,918	-
		Loan Given	203,918	
Dhara Industries	Associates	Labour Charges & Purchase	2,705,300	-
Lalit Mehta HUF	Associates	Labour Charges & Purchase	2,782,300	-
Tejas Mehta HUF	Associates	Labour Charges & Purchase	2,823,600	-
Perfect Enterprises	Associates	Labour Charges & Purchase	2,029,000	-
		Loan Taken/Recd Back	12,798	
		Loan Repaid/Given	12,798	

5 In the opinion of the Board of Directors, current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business and that the provisions for depreciation and all known and ascertained liabilities are adequate and not in excess of the amount reasonably necessary.

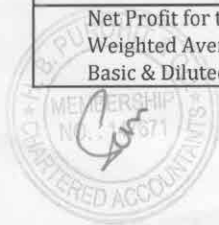
6 The Company has not received information from the Suppliers regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006. Hence, disclosures, if any, relating to amounts unpaid as at the balance sheet date together with interest paid or payable as per the requirement under the said Act, have not been made.

7 EARNING PER SHARE

Basic earning per share is calculated by dividing the net profit after tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares in issue during the year. Diluted earning per Share is calculated by dividing net profit attributable to equity Shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

(Amount in ₹)

Particulars	For the year ended on 31/03/2021	For the year ended on 31/03/2020
Net Profit for the year ( as per Profit & Loss account)	3,993,899	4,483,163
Weighted Average Equity Shares for the year	100,000	100,000
Basic & Diluted EPS ( Price Per Share ₹ 10)	39.94	44.83



- 8 The information required of the Companies Act, 2013 regarding information about the value of imports calculated on CIF basis, total value of imported raw materials, spare parts & components consumed and total value of indigenous raw materials, spare parts & components consumed and percentage each of the total consumption are Rs. NIL.
- 9 Balances of personal accounts like Unsecured Loans, Receivables, Payables and Loans & Advances are subject to their respective confirmations and reconciliations. Accrued interest on Fixed Deposit is included in Bank Deposits (Cash and Cash Equivalents) instead of disclose under the head other current assets.
- 10 Figures of the previous year have been regrouped or rearranged, wherever considered necessary, to suit the current year's presentation.

Notes to Accounts 1 to 10 form an integral part of financial statements.

As per our report of even date.

FOR H.B PUROHIT & CO.

CHARTERED ACCOUNTANTS

FIRM REGISTRATION NO. 108240W

SANKET PRAJAPATI

PARTNER

MEMBERSHIP NO. 147671

PLACE : AHMEDABAD

DATE: 24th November, 2021

FOR DHARA RAIL PROJECTS PRIVATE LIMITED

Jagruti

JAGRUTI TEJAS MEHTA  
DIRECTOR  
DIN:02783659

TEJAS LALIT MEHTA  
DIRECTOR  
DIN:02783675