

**RACHANA
INFRASTRUCTURE
LIMITED**

**DIRECTOR REPORT
OF
FINANCIAL YEAR ENDED
31ST MARCH, 2019**



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
CIN No. : U45203GJ2001PLC039725

NOTICE

NOTICE is hereby given that the **18th Annual General Meeting of RACHANA INFRASTRUCTURE LIMITED** will be held at shorter notice at the Registered Office of the Company at 404, 4th Floor, Angel Complex, Nr. Income Tax, Railway Crossing, Nr. Oasis Hotel, Navrangpura, Ahmedabad-380009, Gujarat, on Monday, 30th September 2019 at 2:00 p. m. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2019, and the Reports of the Board of Directors and the Auditors.
2. To appoint Director in place of Mr. Ashokkumar Raval (DIN: 01646865) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to provisions of sections 139 and 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, "M/s Hitesh Gohel & Co. (proprietorship) Chartered Accountants having Registration No.: 129089W be and is hereby appointed as the Statutory Auditors of the Company and to hold the office for a term of five years from the conclusion of 18th Annual General Meeting till the conclusion of 23rd Annual General Meeting of the Company, at a remuneration of ₹ 230,000/- (Rupees Two Lakh Thirty Thousand) to conduct the audit for the Financial Year 2019-2020 payable in One or more Instalments plus Goods and Services tax as applicable and reimbursement out of pocket expenses incurred by them for the purpose of audit.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may be deemed necessary to give effect to this resolution.”



SPECIAL BUSINESS:

4. 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 2019-20, at a remuneration of ₹ 55,000/- (Rupees Fifty Five Thousand) payable in One or more Installments plus Goods and Services tax as applicable and reimbursement of travelling and out of pocket expenses incurred by the firm for the purpose of audit be and is hereby 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.”

5. To Consider And, If Thought Fit, To Pass, With Or Without Modification the Following Resolution As An Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of sections 196, 197 and 203 of the Companies Act 2013 and all other applicable provisions, if any, read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the consent of the Company be and is hereby accorded for the appointment of Mr. Girishkumar O Raval (DIN: 01646747) as Managing Director of the Company for a period of 5 years with effect from **30th September, 2019** and upon such terms and conditions as set out in explanatory statement annexed hereto, including minimum remuneration to be paid in the event of loss or inadequacy of profits in any financial year, with a liberty to the Board of



Directors to alter and vary terms and conditions of said re-appointment in such manner as may be agreed to between the Board and Mr. Girishkumar O Raval (DIN: 01646747).

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."

6. 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 Section 197(10) and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule V of the act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], or any other law, the approval of members of the Company be and is hereby accorded to waive off the recovery of the excess amount paid as managerial remuneration for the period April 01, 2017 to March 31, 2018 and for the Period April 01, 2018 to March 31, 2019 to Mr. Girishkumar Ochchhavlal Raval (DIN: 01646747) Managing Director of the Company, which is in excess of remuneration limits prescribed under Section 197(1) read with Schedule V of the Companies Act, 2013 as set out in the Explanatory Statement attached hereto and forming part of this notice of the AGM".

"RESOLVED FURTHER THAT a sum of ₹23,81,239 (Twenty-three lakh Eighty one thousand two hundred thirty-nine) for Financial Year 2017-2018 and a sum of ₹23,71,271 (Twenty Three Lakh Seventy One Thousand Two Hundred Seventy One) for Financial Year 2018-2019 be waived off as the excess remuneration paid to Mr. Girishkumar Ochchhavlal Raval (DIN: 01646747) Managing Director."

"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."



7. **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 sections 196, 197, 198 and 203 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Schedule V of the act and the Rules made thereunder including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force and pursuant to the recommendations of the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded for payment of remuneration to Mr. Girishkumar Ochchhavlal Raval (DIN: 01646747) Managing Director for the period commencing from 1st April 2019 and ending on 31st March 2020, within the remuneration structure and overall limits approved by Member in the above Resolution and which in financial year may exceed 5% of the net profits of the Company subject to the relevant provisions of the said Act, and in the event of inadequacy or absence of profits in any financial year during the above period(s), the remuneration comprising salary, performance linked incentive, perquisites, allowances and benefits, as already approved by the Members in the above Resolution, be paid as minimum remuneration to the said Managing Director, subject to approval, if any, required under the said Act.

RESOLVED FURTHER THAT the Board of Directors of the Company thereof be and is hereby authorised to vary and/or revise the remuneration of the said Managing Director within the overall limits approved herein and settle any question or difficulty in connection therewith and incidental thereto.

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."

8. **To consider and if thought fit to pass, with or without modification, the following resolution as a Special Resolution:**

"RESOLVED THAT subject to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies , 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof and in supersession of all the earlier resolutions passed in this regard, the consent of the shareholders of the Company be and is hereby accorded to the Board of



Directors and/or any Committee of Directors thereof, to borrow money, as and when required, from, including without limitation, any Bank and/or other Financial Institution and/or foreign lender and/or any body corporate/ entity/entities and/or authority/authorities, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, bonds, commercial papers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding Rs. 1000.00 Crores (Rupees One Thousand Crores only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves.

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."

9. To consider and if thought fit to pass, with or without modification, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest



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of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs.1000 Crores (Rupees One Thousand Crores only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013."

"RESOLVED FURTHER THAT the Board of Directors (or a Committee thereof constituted for this purpose) be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

By Order of the Board
For Rachana Infrastructure Limited

Girishkumar O. Raval
Chairman & Managing Director
DIN: 01646747

Place: Ahmedabad
Date: 25th September, 2019

Regd. Office:
404, 4th Floor, Angel Complex,
Nr. Income Tax, Railway Crossing,
Nr. Oasis Hotel, Navrangpura,
Ahmedabad- 380009,
Gujarat, India
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EXPLANATORY STATEMENT

Annexed to the Notice convening the 18th Annual General Meeting to be held on Monday, 30th September, 2018.

ITEM NO.: 4

The Board of Directors of the Company ('the Board') at the meeting held on 25th September, 2019, approved the appointment and remuneration of Cost Accountant of the Company, to conduct audit of Cost Records maintained by the Company for the financial year 2019-20.

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, remuneration of the Cost Auditors needs ratification by the Members of the Company at their meeting.

None of the Directors or Key Managerial Personnel of the Company, or their relatives, are interested in these Resolutions.

The Board recommends these Resolutions for your approval.

ITEM NO.: 5

The Company had appointed Mr. Girishkumar O Raval (DIN: 01646747) as Managing Director through Board Meeting held on 25th September, 2019, subject to Approval of Shareholder in General Meeting as Managing Director of the Company for a period of five years from 25th September 2019. Considering his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mr. Girishkumar O Raval (DIN: 01646747) should be available to the Company for a period of 5 (Five) years with effect from 30th September 2019.

The main terms and conditions for the appointment of Mr. Girishkumar O Raval (DIN: 01646747), are as follows:

- i. Salary: Rs. 1,00,000/- p.m. w.e.f. 30th September, 2019
- ii. In addition to the salary, he shall be entitled to the perquisites not exceeding Rs. 2,75,000/- p.m. which shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rule, perquisites shall be evaluated at actual cost, details as follows:
 - a) Contribution to provident fund, superannuation fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. Gratuity payable shall not exceed half a month's salary for each completed year of service.
 - b) Rent Allowance as per the rules of the Company.



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- c) Provision of car for use for Company's business and telephone at residence will not be considered as perquisites. However personal long distance calls on telephone and use of car for private purpose shall be build by the Company to the Managing Director.
- iii. The Company will reimburse to the Managing Director such expenses as he may incur on behalf of the Company. Including tour and travels expenditure made for Company.

ITEM NO.: 6

The Board of Directors of the Company has approved to waive off the repayment of excess remuneration paid to Mr. Girishkumar Ochchhavlal Raval (DIN: 01646747) Managing Director, during the Financial Year 2017-2018 and 2018-19.

Under the provisions of Section 197(10) and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule V of the Act and the Rules made thereunder, including any statutory modification thereof, or any other law, the approval of Members of the Company be and is hereby accorded to waive off the recovery of amount paid as managerial remuneration for the period April 01, 2017 to March 31, 2018 and April 01, 2018 to March, 31, 2019 to Mr. Girishkumar Ochchhavlal Raval (DIN: 01646747) Managing Director, of the Company, in excess of remuneration limits prescribed under Section 197(1) read with Schedule V of the Companies Act, 2013. Thus the remuneration paid to Mr. Girishkumar Ochchhavlal Raval (DIN: 01646747) Managing Director, exceeded the prescribed limit in excess. It is proposed to waive off the excess amount paid to Mr. Girishkumar Ochchhavlal Raval (DIN: 01646747) Managing Director of the Company for the Financial Year 2017-2018 and 2018-19. Hence, the resolutions are submitted for your approval. Other than Mr. Girishkumar Ochchhavlal Raval, none of the other Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, in the resolution.

A sum of ₹23,81,239 (Twenty-three lakh Eighty one thousand two hundred thirty-nine) for Financial Year 2017-2018 and a sum of ₹23,71,271 (Twenty Three Lakh Seventy One Thousand Two Hundred Seventy One) for Financial Year 2018-2019 be waived off as the excess remuneration paid to Mr. Girishkumar Ochchhavlal Raval (DIN: 01646747) Managing Director.

ITEM NO.: 7

As per Section 197 of the Companies Act, 2013 as amended by Companies (Amendment) Act, 2017 which has become effective since September 12, 2018 total managerial remuneration payable by the Company to its directors, including managing director and whole time director and its manager in respect of any financial year may exceed 11% (eleven per cent) of the net profits of the company calculated as per Section 198 of the Companies Act, 2013, provided that the same has been approved by the shareholders of the Company by way of Members Resolutions. The requirements of Central Government approval which was hitherto required has been done away with.

Considering the Overall growth of the Company under the dynamic leadership of Mr. Girishkumar O Raval (DIN: 01646747) and Pursuant to the recommendation of the Board of Directors of the Company



in its meeting held on 30th September, 2019 recommended to appointment of Mr. Girishkumar O Raval(DIN: 01646747) as Managing Director and recommended to increase managerial remuneration payable by the Company to Mr. Girishkumar O Raval (DIN: 01646747) in respect of financial year 2019-2020, upto 10% of the Net Profits of the Company calculated in accordance with Section 198 of the Companies Act,2013.

Accordingly, the Board recommends the special resolution set out at item no. 7 for approval of members.

As all Directors are relative of Mr. Girishkumar O Raval (DIN: 01646747) hence all are concerned or interested in the aforesaid resolution.

ITEM NO.: 8

Section 180(1)(c) of the Companies Act, 2013 permits the Company to borrow money along with the money already borrowed by the Company, except the temporary loans obtained from the Companies banker in ordinary course of business, beyond the paid –up capital and free reserve of the Company, only if the same is approved by the Members of the Company.

Hence, members of the Company are requested to give their approval to borrow the money along with the money already borrowed by the Company in excess of its paid –up capital and free reserve not exceeding Rs. 1,000 Crores.

None of the Directors, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution except to the extent of their shareholding, if any, in the Company.

ITEM NO.: 9

The Company has been making investments in, giving loans and guarantees to and providing securities in connection with loans to various persons and bodies corporate (including its subsidiary) from time to time, in compliance with the applicable provisions of the Act.

The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more. Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required to be passed at a general meeting.

In view of the above and considering the long term business plans of the Company, which requires the Company to make sizeable loans / investments and issue guarantees / securities to persons or bodies



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corporate, from time to time, prior approval of the Members is being sought for enhancing the said limits. Hence, the Special Resolution at Item No.9 of the Notice, notwithstanding the fact that the same exceeds the limits provided under Section 186 of the Act.

The Directors recommend the Special Resolution as set out at Item No. 9 of the accompanying Notice, for Members' approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned

By Order of the Board

For Rachana Infrastructure Limited

Girishkumar O. Raval
Chairman & Managing Director
DIN: 01646747

Place: Ahmedabad

Date: 25th September, 2019

Regd. Office:

404, 4th Floor, Angel Complex,
Nr. Income Tax, Railway Crossing,
Nr. Oasis Hotel, Navrangpura,
Ahmedabad- 380009,

Gujarat, India

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NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of him and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The Register of Directors and their shareholding, maintained u/s 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested maintained u/s 189 of the Companies Act, 2013 and all other documents referred to in the notice and explanatory statement, will be available for inspection by the members of the Company at Registered office of the Company during business hours 10:00 A.M. to 06:00 P.M. (except Saturday and Sunday) up to the date of Annual General Meeting and will also be available during the Annual General Meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. A Route Map along with Prominent Landmark for easy location to reach the venue of Annual General Meeting is annexed with the notice of Annual General Meeting.
6. Members/proxies attending the meeting are requested to bring their duly filled admission/ attendance slips sent along with the notice of annual general meeting at the meeting.
7. Corporate members intending to send their authorized representatives to attend the meeting are advised to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting.

By Order of the Board
For Rachana Infrastructure Limited

Girishkumar O. Raval
Chairman & Managing Director
DIN: 01646747

Place: Ahmedabad
Date: 25th September, 2019

Regd. Office:
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To,
The Members,
RACHANA INFRASTRUCTURE LIMITED
Ahmedabad.

Your Directors have pleasure in presenting their 18th Annual Report of your Company along with the Audited Financial Statement for the Financial Year ended March 31, 2019.

FINANCIAL RESULTS:

The Company's financial performance, for the year ended March, 31, 2019

(Amount. in Rs.)

Particulars	FY 2018-19	FY 2017-18
Revenue from operation	1,121,028,886	930,136,907
Other Income	18,303,673	13,379,974
Total Revenue	1,139,332,559	943,516,881
Profit Before Tax	58,092,230	47,252,438
(1) Current Tax	20,700,000	14,285,599
(2) Deferred Tax	-5,182,357	1,151,625
Total Tax	15,517,643	15,437,224
Profit after Tax	42,574,587	31,815,214
Earning Per Share(Basic & Diluted)	8.09	6.28

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

Your Company is engaged in the Business of Infrastructure and Mining Activities and there has been no change in the business of the Company during the financial year ended 31st March, 2019.

We seek long-term relationship with clients while addressing their requirements.

CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of the business of the Company done during the year.

MATERIAL CHANGES & COMMITMENT:

No material changes and commitments affecting the financial position of the company have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.





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WEB LINK OF ANNUAL RETURN:

The Company website is under Process.

MEETING OF BOARD OF DIRECTORS:

Twelve Board Meeting were held during the Financial Year ended 31.03.2019 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.	26/04/2018	3	3
2.	15/05/2018	3	3
3.	03/09/2018	3	3
4.	19/09/2018	3	3
5.	25/09/2018	3	3
6.	28/09/2018	3	3
7.	10/12/2018	3	3
8.	11/01/2019	3	3
9.	01/03/2019	3	3
10.	20/03/2019	3	3
11.	22/03/2019	3	3
12.	26/03/2019	3	3

THE NAMES OF MEMBERS OF THE BOARD, THEIR ATTENDANCE THE BOARD MEETING ARE AS UNDER;

Sr. No.	Date of the Meeting	Name of the Director entitled to attend the meeting and whether they attended the meeting (Yes/ No/ NA)		
		MR. GIRISHKUMAR OCHCHHAVLAL RAVAL	MRS. BHAMINIBEN BALDEVPRASAD MEHTA	MR. ASHOKKUMAR RAVAL





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1.	26/04/2018	YES	YES	YES
2.	15/05/2018	YES	YES	YES
3.	03/09/2018	YES	YES	YES
4.	19/09/2018	YES	YES	YES
5.	25/09/2018	YES	YES	YES
6.	28/09/2018	YES	YES	YES
7.	10/12/2018	YES	YES	YES
8.	11/01/2019	YES	YES	YES
9.	01/03/2019	YES	YES	YES
10.	20/03/2019	YES	YES	YES
11.	22/03/2019	YES	YES	YES
12.	26/03/2019	YES	YES	YES
Total No. of Meetings Attended		12	12	12

DETAILS OF FRAUD REPORTED BY AUDITOR'S:

As per Auditor Report, no fraud u/s. 143(12) reported by auditor. The Auditors' Report for the financial year ended, 31st March, 2019 is annexed herewith for your kind perusal and information. The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors' remarks in their report are self-explanatory and hence do not require any further explanations.

BOARD'S COMMENT ON THE AUDITORS REPORT:

The Observation of the Statutory Auditor's, when read together with the relevant notes to the accounts and accounting policies are self explanatory and do not needed any further explanations.





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RESERVES:

For the financial year ended 31st March, 2019,, the Company propose to transfer a Sum of ₹ 50,371,292 to Reserve during the financial year ended 31.03.2019.

DIVIDEND:

Your Directors do not recommend any dividend for the financial year ended 31st March, 2019.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The provisions of Section 125(2) of the Companies Act, 2013 are not applicable to the Company as there was no dividend declared and paid during the year under review.

DEPOSITS:

The Company has not invited or renewed any deposits or has not remained any unpaid/claimed deposit or has not default in repayment of deposit or its interest under Section 73 of the Companies Act, 2013 during the year under review.

INTERNAL FINANCIAL CONTROL:

The Company has in place adequate internal financial control with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was noticed.

AUDIT COMMITTEE:

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) are not applicable to the Company.

NOMINATION AND REMUNERATION POLICY:

The provisions of Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) are not applicable to the Company.

SECRETARIAL STANDARDS:

The Directors state that the applicable Secretarial Standards i.e SS-1 and SS-2, issued by the Institute of Company Secretaries of India, relating to Meeting of Board of Directors and General Meetings respectively have been duly complied with.





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SHARE CAPITAL:

There is no change in the Authorised Capital of the Company but During the year Company allotted 192,400 Equity Shares of ₹ 10/- each, further to the above allotment, the Paid Up Share Capital of the Company Increased from ₹ 50,676,000/- as on March 31, 2018 to ₹ 52,600,000/- as on March 31, 2019.

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- A) Issue of equity shares with differential rights
- B) Issue of sweat equity shares
- C) Issue of employee stock options
- D) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees.

DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES COMPANIES AND ITS PERFORMANCE AND FINANCIAL POSITION:

The Company does not have any Subsidiary, Joint venture or Associate Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

✓ Changes In Directors:

There is no change during the financial year in the composition of the Board of Directors of the company.

At the ensuing Annual General Meeting Mr. MR. ASHOKKUMAR RAVAL [DIN: 01646865] MR. ASHOKKUMAR RAVAL [DIN: 01646865] who retires by rotation and being eligible offer himself for re- appointment.

✓ Declaration by the Independent Directors:

The provisions of section 149 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 are not applicable to the Company.

✓ Changes In Key Managerial Personnel:

The provisions of section 203 of the Companies Act, 2013 and Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

PARTICULARS OF EMPLOYEES:

None of the employee has received remuneration exceeding the limit as stated in Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.





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VIGIL MECHANISM:

The provisions of section 177(9) read with Rule 7 of the Companies (Meetings of Board & its Power) Rules, 2014, are not applicable to the Company. Your Company believes in promoting a fair, transparent, ethical & professional work environment. The Mechanism is established for Directors and employees directly to report their concerns before the Board.

RISK MANAGEMENT POLICY:

The Board periodically reviews the operations of the Company and identifies the risk / potential risk, if any to the Company and implement the necessary course of action(s) which the Board deem fit in the best interest of the Company.

It may pleased be noted that as per the applicable requirement of Companies Act, 2013 a risk management policy/plan of the Company is developed and implemented for creating and protecting the Shareholder's value by minimizing threats or losses and to identify and provide a framework that enables future activities of a Company to take place in a consistent and controlled manner. In the opinion of the Board, there is no any risk which may threaten the existence of the Company.

EXTRACT OF ANNUAL RETURN:

The Extract of Annual Return in form No. MGT-9 as per Section 134 (3) (a) of the Companies Act, 2013 read with Rule 8 of Companies Act (Accounts) Rules 2014 and Rule 12 of Companies (Management & Administration) Rules, 2014 is annexed hereto and forms part of this report. (Annexure: 1)

STATUTORY AUDITORS:

STATUTORY AUDITORS M/s MISTRY & SHAH, Chartered Accountants, were appointed as the Statutory Auditors of the Company for a term of five consecutive years at the 14th Annual General Meeting held on September 30, 2015. The Statuary Auditors resigned as the Auditors of the Company with effect from December 10, 2018 Due to Pre Occupation in other assignments, therefore the Board at its meeting held on December 10, 2018 and subject to the approval of the shareholders appointed M/s. Ankit Chokshi & Co., Chartered Accountants [Firm Registration No121722W] as the Statutory Auditor of the Company in a Casual Vacancy pursuant to Section 139(8) of the Companies Act, 2013, to hold office till the conclusion of the ensuing Annual General Meeting.

AUDITOR'S REPORT INCLUDING DETAILS OF FRAUD REPORTED BY AUDITOR U/S 143

(12):

The Auditors' Report for the financial year ended, 31st March, 2019 is annexed herewith for your kind perusal and information. The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors' remarks in their report are self-explanatory and hence do not require any further explanations.





SECRETARIAL AUDIT REPORT:

The provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

✓ CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

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.

✓ FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

PARTICULARS OF LOANS AND INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

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

PARTICULARS OF RELATED PARTY TRANSACTIONS UNDER SECTION 188 OF THE COMPANIES ACT, 2013:

All the Related Party Transactions that were entered into during the Financial Year were on an arm's length basis and were in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) of the Companies Act, 2013 in Form AOC 2 is not applicable. However the disclosure of transactions with Related Parties for the year, as per Accounting Standard -18 Related Party Disclosure is set out in Note No. 14 of the Balance Sheet as on 31st March, 2019.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has always believed in providing a safe and harassment free workplace for every individual working in premises through various interventions and practices. The Company always endeavors to create





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and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of sexual harassment.

Your director's further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- in the preparation of the annual accounts for the financial year ended 31st March, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profit/loss of the Company for that period;
- the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis;
- The Company being unlisted, Clause pertaining to laying down internal financial control is not applicable to the Company.
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE SOCIAL RESPONSIBILITY:

The provisions of Section 135 of the Companies Act, 2013 read with rule 9 of the Companies (Accounts) Rules, 2014 and Companies (Corporate Social Responsibilities) Rules, 2014 are not applicable to the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:

During the year, no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

INTERNAL FINANCIAL CONTROLS:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.





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MATERIAL CHANGES AND COMMITMENT:

There are no material changes and commitments, affecting the financial position of the Company, have occurred between the ends of financial year of the Company i.e. March 31, 2019 to the date of this Report.

COST RECORDS

The company has maintained the cost records as prescribed by the Central Government under sub-section (1) of section 148 of the Act for the business activities carried out by the company. However, the provisions of Cost Audit are not applicable to the company as per section 148 of the Act. And Cost Audit Applicable to Company from Financial year 2019-2020.

COMPLAINE OF SECRETARIAL STANDARDS:

The Directors state that the applicable Secretarial Standards i.e. SS-1 and SS-2, issued by the Institute of Company Secretaries of India, relating to Meeting of Board of Directors and General Meetings respectively have been duly complied with.

ACKNOWLEDGEMENT:

Your Directors would like to express their Sincere appreciation for the assistance and co-operation received from the Banks, Government Authorities, Customers, Vendors and Members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service by the Company's Executives, Staff and Workers of the Company

Dated: September 25, 2019

Place: Ahmedabad

checked &
verified
J. P. S.

For and on behalf of the Board
Rachana Infrastructure Limited


CHAIRMAN

GIRISHKUMAR O RAVAL

(DIN:01646747)





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Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	OPERATIONS OF ROAD CONSTRUCTION	4210	84.98
2	OPERATIONS OF STONE QUARRY	0810	15.02

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ASSOCIATE	% of shares held	Applicable Section
NA					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	Number of shares held as at 1st April, 2018				Number of shares held as at 31st March, 2019				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A) Promoters									
(1) Indian									
a) Individual / HUF	-	3264350	3264350	64.42	3786270	-	3786270	71.98	7.56
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
Banks/ Financial Institutions	-	-	-	-	-	-	-	-	-
e) Any Others(Specify)	-	-	-	-	-	-	-	-	-
Sub - Total (A)(1)	-	3264350	3264350	64.42	3786270	-	3786270	71.98	7.56
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRI s - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-





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d)	Banks/ Financial Institutions	-	-	-	-	-	-	-	-	-
e)	Any Other	-	-	-	-	-	-	-	-	-
	Sub - Total (A)(2)	-	-	-	-	-	-	-	-	-
	Total shareholding of Promoters (A) = (A)(1)+(A)(2)	-	3264350	3264350	64.42	3786270	-	3786270	71.98	7.56
(B)	Public shareholding	-	-	-	-	-	-	-	-	-
(1)	Institutions	-	-	-	-	-	-	-	-	-
a)	Mutual Funds/ UTI	-	-	-	-	-	-	-	-	-
b)	Banks/ Financial Institutions	-	-	-	-	-	-	-	-	-
c)	Central Government	-	-	-	-	-	-	-	-	-
d)	State Government(s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	Foreign Institutional investors (FII)	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Any Other(specify)	-	-	-	-	-	-	-	-	-
	Sub - Total (B)(1)	-	0	0	0	-	0	0	0	-
(2)	Non- Institutions	-	-	-	-	-	-	-	-	-
a)	Bodies Corporate	-	-	-	-	-	-	-	-	-
i)	Indian	-	180000	180000	3.55	180000	-	180000	3.42	0.13
ii)	Overseas	-	-	-	-	-	-	-	-	-
b)	Individual	-	-	-	-	-	-	-	-	-
i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	94150	94150	-	-	-	-	-	-
ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	1529100	1529100	30.17	-	-	1293730	24.60	5.57
c)	Others	-	-	-	-	-	-	-	-	-
i)	Non-Resident Indians	-	-	-	-	-	-	-	-	-
ii)	Clearing Members	-	-	-	-	-	-	-	-	-
iii)	Directors and their relatives	-	-	-	-	-	-	-	-	-
iv)	Hindu Undivided Families	-	-	-	-	-	-	-	-	-
v)	Trusts	-	-	-	-	-	-	-	-	-





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	Sub - Total (B)(2)	-	1803250	1803250	33.72	-	-	1473730	28.02	-
	Total shareholding of Promoters (B) = (B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
(C)	Shares held by Custodians for GDRs and ADRs	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	-	5067600	5067600	100	-	-	5260000	100	-

ii) Shareholding pattern of top ten shareholders (other than directors, Promoters and holders of GDRs and ADRs):-

Sl. No.	PARTICULARS	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1) PATEL PURVESH VISHNUBHAI					
	At the beginning of the year	187500	3.56	187500	3.56
	Transaction Sale / Purchase/Allotment	NA	NA	187500	3.56
	AT THE END OF THE YEAR	187500	3.56	187500	3.56
2) BHAMINI INFRASTRUCTURE PRIVATE LIMITED					
	At the beginning of the year	180000	3.42	180000	3.42
	Transaction Sale / Purchase/Allotment	NA	NA	180000	3.42
	AT THE END OF THE YEAR	180000	3.42	180000	3.42
3) SUSHMABEN NIKHILBHAI PATEL					
	At the beginning of the year	143900	2.74	143900	2.74
	Transaction Sale / Purchase/Allotment	NA	NA	143900	2.74
	AT THE END OF THE YEAR	143900	2.74	143900	2.74





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Sl. No.	PARTICULARS	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4)	HIRENBHAI ANILBHAI DAVE				
	At the beginning of the year	126000	2.40	126000	2.40
	Transaction Sale / Purchase/Allotment	NA	NA	126000	2.40
	AT THE END OF THE YEAR	126000	2.40	126000	2.40
5)	ISHITA PRAKASHBHAI RAVAL				
	At the beginning of the year	48880	0.93	48880	0.93
	Transaction Sale / Purchase/Allotment	PURCHASE OF 75650 SHARES	1.44	124350	2.37
	AT THE END OF THE YEAR	124530	2.37	124530	2.37
6)	DEVANSHIBEN J DAVE				
	At the beginning of the year	0	0	0	0
	Transaction Sale / Purchase/Allotment	PURCHASE OF 119800 SHARES	2.28	119800	2.28
	AT THE END OF THE YEAR	119800	2.28	119800	2.28
7)	JITENDRA NANDUPRASAD VYAS				
	At the beginning of the year	90000	1.71%	90000	1.71%
	Transaction Sale / Purchase/Allotment	NA	NA	NA	NA
	AT THE END OF THE YEAR	90000	1.71%	90000	1.71%
8)	SAYYADUNISSA HAFIZBHAI KOVADIA				
	At the beginning of the year	71500	1.36	71500	1.36





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Sl. No.	PARTICULARS	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Transaction Sale / Purchase/Allotment	PURCHASE OF 10000 SHARES	0.19	81500	1.55
	AT THE END OF THE YEAR	81500	1.55	81500	1.55
9) ALPABEN VINODCHANDRA DAVE					
	At the beginning of the year	20000	0.38	20000	0.38
	Transaction Sale / Purchase/Allotment	PURCHASE OF 50000 SHARES	0.95	70000	1.33
	AT THE END OF THE YEAR	70000	1.33	70000	1.33
10) NANDUPRASAD HARNARAYAN VYAS					
	At the beginning of the year	65000	1.24	65000	1.24
	Transaction Sale / Purchase/Allotment	NA	NA	NA	NA
	AT THE END OF THE YEAR	65000	1.24	65000	1.24





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iii) Shareholding of Promoters

SIN o.	Shareholder 's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumb ered to total shares	No. of Shares	% of total Share s of the compa ny	% of Share s Pledge d/ encum bered to total shares	
1	GIRSHKU MAR OCCHAVL AL RAVAL	2017177	38.35	0	2089677	39.73	0	1.38
2	BHAMINIB EN BALDEVB HAI MEHTA	301000	5.72	0	351000	6.67	0	0.95
3	RAMESHB HAI KALIDAS PATEL	251923	4.79	0	261923	4.98	0	0.19
4	ASHOKBH AI OCHCCHA VLAL RAVAL	66000	1.26	0	102000	1.94	0	0.68
5	VISHNUBH AI S. PATEL	215750	4.10	0	215750	4.10	0	0





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SIN o.	Shareholder 's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumb ered to total shares	No. of Shares	% of total Share s of the compa ny	% of Share s Pledge d/ encum bered to total shares	
6	BRIJESH GIRISHBH AI RAVAL	240100	4.57	0	413800	7.87	0	3.30
7	JAYDEEP GIRISHBH AI RAVAL	172400	3.28	0	352120	6.69	0	3.41
	Total	3264350	62.07	0	3786270	71.98	0	9.91

iv) **Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	GIRSHKUMAR OCCHAVLAL RAVAL				
	At the beginning of the year	2017177	38.35	2017177	38.35
	Transaction Sale / Purchase/Allotment 26.03.2019	PURCHASE OF 72500 SHARES	1.38	2089677	39.73





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Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the End of the year	2089677	39.73	2089677	39.73
2	BHAMINIBEN BALDEVBHAI MEHTA				
	At the beginning of the year	301000	5.72	301000	5.72
	Transaction Sale / Purchase/Allotment 26.03.2019	PURCHASE OF 50000 SHARES	0.95	351000	6.67
	At the End of the year	351000	6.67	351000	6.67
3	RAMESHBHAI KALIDAS PATEL				
	At the beginning of the year	251923	4.79	251923	4.79
	Transaction Sale / Purchase/Allotment 26.03.2019	PURCHASE OF 10000 SHARES	0.19	261923	4.98
	At the End of the year	261923	4.98	261923	4.98
4	ASHOKBHAI OCHCHAVLAL RAVAL				
	At the beginning of the year	66000	1.26	66000	1.26
	Transaction Sale / Purchase/Allotment 26.03.2019	PURCHASE OF 36000 SHARES	0.68	102000	1.94
	At the End of the year	102000	1.94	102000	1.94
5	VISHNUBHAI S.	NO CHANGE IN SHAREHOLDING			





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Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	PATEL				
6	BRIJESH GIRISHBHAI RAVAL				
	At the beginning of the year	240100	4.57	240100	4.57
	Transaction Sale / Purchase/Allotment 26.03.2019	PURCHASE OF 173700	3.30	413800	7.87
	At the End of the year	413800	7.87	413800	7.87
7	JAYDEEP GIRISHBHAI RAVAL				
	At the beginning of the year	172400	3.28	172400	3.28
	Transaction Sale / Purchase/Allotment 26.03.219	PURCHASE OF 179720	3.41	352120	6.69
	At the End of the year	352120	6.69	352120	6.69

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	GIRSHKUMAR OCCHAVLAL RAVAL				





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Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2017177	38.35	2017177	38.35
	Transaction Sale / Purchase/Allotment	PURCHASE OF 72500 SHARES	1.38	2089677	39.73
	At the End of the year	2089677	39.73	2089677	39.73
2	BHAMINIBEN BALDEVBHAI MEHTA				
	At the beginning of the year	301000	5.72	301000	5.72
	Transaction Sale / Purchase/Allotment	PURCHASE OF 50000 SHARES	0.95	351000	6.67
	At the End of the year	351000	6.67	351000	6.67
3	ASHOKBHAI OCHCCHAVLAL RAVAL				
	At the beginning of the year	66000	1.26	66000	1.26
	Transaction Sale / Purchase/Allotment	PURCHASE OF 36000 SHARES	0.68	102000	1.94
	At the End of the year	102000	1.94	102000	1.94





Rachana Infrastructure Ltd.

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

(V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtednes s
Indebtedness at the beginning of the financial year				
i) Principal Amount	225530549	12685603	157502285	395718437
ii) Interest due but not paid	-			
iii) Interest accrued but not due	-			
Total (i+ii+iii)	225530549	12685603	157502285	395718437
Change in Indebtedness during the financial year				
• Addition				
• Reduction				
Net Change	15881501	(46059681)	(53300178)	8641004
Indebtedness at the end of the financial year	241412050	58745284	104202107	404359441
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	241412050	58745284	104202107	404359441

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total
---------	-----------------------------	-------------------------	-------





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						Amount
		GIRISHKUMAR	O		
		RAVAL				
1.	Gross salary	4500,0				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	00				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					
2.	Stock Option					
3.	Sweat Equity					
4.	Commission					
	- as % of profit					
	- others, specify...					
5.	Others, please specify					
	Total (A)					
	Ceiling as per the Act					

B. Remuneration to other directors: NA

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		
	3. Independent Directors					
	• Fee for attending board committee meetings					
	• Commission					
	• Others, please specify					
	Total (1)					
	4. Other Non-Executive Directors					





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Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
	<ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 					
	Total (2)					
	Total (B) = (1 + 2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTB: NA

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify				





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Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
	Total				

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NA

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT /COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					





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CIN No. : U45203GJ2001PLC039725

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT /COURT]	Appeal made, if any (give Details)
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					





Ankit Chokshi & Co.
CHARTERED ACCOUNTANTS

RACHANA INFRASTRUCTURE **LIMITED**

CIN - U45203GJ2001PLC039725

**B-404, ANGEL COMPLEX, 4TH FLOOR
NEAR INCOME TAX RAILWAY CROSSING,
NEAR HOTEL OASSIS, NAVRANGPURA,
AHMEDABAD - 380009**

STATUTORY AUDIT REPORT

**ACCOUNTING YEAR: 2018-19
ASSESSMENT YEAR: 2019-20**



Independent Auditor's 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, 2019, the Statement of Profit and Loss, the Cash Flow Statement 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, 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, 2019, 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 financial year ended March 31, 2019. 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. 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 Act, we give in the "Annexure A" a statement on the matters specified in paragraph 3 of the Order;
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, except AS-15 and AS-17;
 - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;

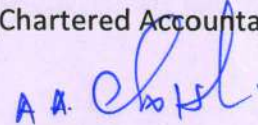


(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- 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.

Place : AHMEDABAD
Date : 25.09.2019

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



(Ankit Chokshi)
(M. No: 110303)

Partner

(UDIN: 19110303AAAAJQ2802)



ANNEXURE - A TO THE AUDITORS' REPORT

**The Annexure referred to in our report to the members of Rachana Infrastructure Limited
for the year ended on 31st March, 2019**

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification. In our opinion and according to the information and explanations given to us, no fixed asset has been disposed of during the year and therefore does not affect the going concern assumption.

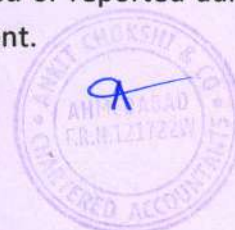
(c) As explained to us, the title deeds of immovable properties are held in the name of the company.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals and no material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. 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 other parties listed in the register maintained under Section 189 of the Companies Act during the year. Thus the sub clauses (a), (b) & (c) are not applicable to the company.
4. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grants of loans, making investments and providing guarantees, as applicable.
5. The Company has not accepted any deposits from the public and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3(v) of the Order are not applicable.



6. The company has maintained the cost records as prescribed by the Central Government under sub-section (1) of section 148 of the Act for the business activities carried out by the company. However, the provisions of Cost Audit are not applicable to the company as per section 148 of the Act.
7. (a) According to information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally irregular in depositing undisputed statutory dues including Provident Fund, Income-Tax, Sales tax, Goods and Service Tax, Tax deducted at source, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities.
- (b) There are undisputed amounts payable in respect of the above which were in arrears as on March 31, 2019 for a period of more than six months from the date on when they become payable, however they are paid before the due date of filling of return.
- (c) Details of dues of Income tax or Sales Tax or Service Tax or Goods and Service Tax or Customs duty or Excise Duty or Value Added Tax which have not been deposited as on March 31, 2019 on account of any dispute are given below:

Name of Statute	Nature of Dues	Period to which amount relates	Amount (Rs.in Lakhs)	Amount Paid Under Protest
Income Tax Act, 1961	TDS	2013-14	96,830/-	-
Income Tax Act, 1961	TDS	2014-15	4,08,960/-	-

8. 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 dues to a financial institution, bank or debenture holders.
9. 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 Terms Loans were applied for the purpose for which loans were obtained.
10. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.



11. As per the information given to us, the company has paid managerial remuneration in accordance with provisions of section 197 read with schedule V to the Companies Act, 2013 subject to special resolution to be passed at Annual General Meeting of the Company.
12. The Company is not a Nidhi Company and therefore the requirements of the Nidhi Rules, 2014 are not applicable to the company.
13. 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.
14. As explained to us, the company has issued 1,92,400 Equity shares by way of private placement in compliance with the provisions of Section 42 of the Companies Act and the money received for the same were utilized for the purposes for which they were raised.
15. According to the information and explanations given to us and Based on the audit procedures performed, The company hasn't entered into any non-cash transactions with directors or persons connected with him.
16. As explained to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place : AHMEDABAD
Date : 25.09.2019



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

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

Partner
(UDIN: 19110303AAAAJQ2802)

ANNEXURE - B TO THE 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")

We have audited the internal financial controls over financial reporting of **Rachana Infrastructure Limited** ("The Company") as of **31st March 2019** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls 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.

Auditors' Responsibility

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.

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.



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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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 over Financial Reporting

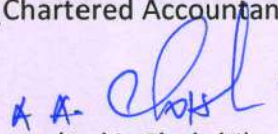
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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

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 31st March 2019, 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.

Place : Ahmedabad
Date : 25.09.2019



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

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

RACHANA INFRASTRUCTURE LIMITED

CIN : U45203GJ2001PLC039725

BALANCE SHEET AS AT 31.03.2019

Particulars	Notes	As at 31.03.2019	As at 31.03.2018
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	<u>1</u>	52,600,000	50,676,000
(b) Reserves and Surplus	<u>2</u>	353,969,284	303,597,992
(c) Money Received Against Share Warrants		-	-
(2) Share Application Money Pending Allotment		-	-
(3) Non-Current Liabilities			
(a) Long-term Borrowings	<u>3</u>	267,280,890	264,832,200
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions	<u>4</u>	3,780,110	-
(4) Current Liabilities			
(a) Short-term Borrowings	<u>5</u>	108,867,226	140,752,719
(b) Trade Payables	<u>6</u>	13,447,675	63,198,152
(c) Other Current Liabilities	<u>7</u>	98,041,553	56,508,093
(d) Short Term Provisions	<u>8</u>	1,957,089	1,032,186
Total		899,943,827	880,597,342
II. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment			
(i) Tangible Assets	<u>9</u>	179,421,293	187,480,604
(ii) Intangible Assets	<u>10</u>	670,433	-
(iii) Capital Work-In-Progress		-	-
(iv) Intangible Assets Under Development		-	350,000
(b) Non-Current Investments	<u>11</u>	219,441,472	219,723,502
(c) Deferred Tax Assets (Net)	<u>12</u>	11,350,731	6,168,374
(d) Loans		-	-
(e) Other Non-Current Assets	<u>13</u>	104,078,058	119,256,845
(2) Current Assets			
(a) Current Investments		-	-
(b) Inventories	<u>14</u>	17,532,607	15,526,088
(c) Trade Receivables	<u>15</u>	235,691,827	85,995,876
(d) Cash and Cash Equivalents	<u>16</u>	22,366,117	8,773,260
(e) Loans	<u>17</u>	12,667,051	7,900,902
(f) Other Current Assets	<u>18</u>	96,724,238	229,421,892
Total		899,943,827	880,597,342

Significant Accounting Policies Note '26'

As per our report of even date,

Ankit Chokshi & Co.

(F.R.N. : 121722W)

(Chartered Accountants)

A. A. Chokshi
(Ankit A. Chokshi)

(M. No. : 110303)

Partner



Date : 25.09.2019

Place : Ahmedabad

For and on behalf of the board

Rachana Infrastructure Limited

B. Mehta
Bhaminiben Mehta

Director

DIN: 01646822

Gaurav J. Dixit
Gaurav Dixit

Company Secretary

Girishbhai Raval
Girishbhai Raval

Managing Director

DIN: 01646747

Ishita P. Raval
Ishita P. Raval

Chief Financial Officer

RACHANA INFRASTRUCTURE LIMITED

CIN : U45203GJ2001PLC039725

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31.03.2019

Particulars	Notes	2018-19	2017-18
I. Revenue from Operations	<u>19</u>	1,121,028,886	930,136,907
II. Other Income	<u>20</u>	18,303,673	13,379,974
III. Total Revenue	(I + II)	1,139,332,559	943,516,881
IV. Expenses:			
Cost of Materials Consumed	<u>21</u>	264,227,535	293,808,988
Purchase of Stock-in-Trade		-	-
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	<u>22</u>	(2,006,520)	(3,533,484)
Employee Benefit Expense	<u>23</u>	74,651,441	60,466,840
Financial Costs	<u>24</u>	64,674,922	48,893,460
Depreciation and Amortization Expense	<u>9 & 10</u>	44,897,777	26,204,266
Other Expenses	<u>25</u>	631,052,101	470,424,373
Total Expenses		1,077,497,256	896,264,443
V. Profit Before Exceptional and Extraordinary Items and Tax	(III - IV)	61,835,303	47,252,438
VI. Exceptional Items		-	-
VII. Profit Before Extraordinary Items and Tax	(V - VI)	61,835,303	47,252,438
VIII. Extraordinary Items			
Prior Period Expenses (Gratuity)		3,743,073	-
IX. Profit Before Tax (VII - VIII)		58,092,230	47,252,438
X. Tax Expense:			
(1) Current Tax		20,700,000	14,285,599
(2) Deferred Tax		(5,182,357)	1,151,625
XI. Profit(Loss) From the Perid From Continuing Operations		42,574,587	31,815,214
XII. Profit/(Loss) From Discontinuing Operations		-	-
XIII. Tax Expense of Discounting Operations		-	-
XIV. Profit/(Loss) From Discontinuing Operations		-	-
XV. Profit/(Loss) For The Period (XI+XIV)		42,574,587	31,815,214
XVI. Earning Per Equity Share:			
(1) Basic		8.09	6.28
(2) Diluted		8.09	6.28

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



For and on behalf of the board ,
Rachana Infrastructure Limited

B. Mehta
Bhaminiben Mehta
Director
DIN: 01646822

Girishbhai Raval
Girishbhai Raval
Managing Director
DIN: 01646747

Gaurav V. Dixit
Gaurav Dixit
Company Secretary

Ishita P. Raval
Ishita P. Raval
Chief Financial Officer

Date : 25.09.2019
Place : Ahmedabad

RACHANA INFRASTRUCTURE LIMITED

CIN : U45203GJ2001PLC039725

Cash Flow Statement

Particulars	2018-19	2017-18
Cash flows from Operating Activities		
Net Profit before Taxation and extraordinary items	6,18,35,303	4,72,52,438
Adjustments		
Add:- Depreciation	4,48,97,777	2,62,04,266
Add: Gratuity Provision	12,62,420	-
Operating Profit before working capital changes	10,79,95,500	7,34,56,704
Sources of Funds in Working Capital		
Increase in Trade Payables	(4,97,50,477)	58,56,918
Increase in Other Current Liabilities	4,15,33,460	2,35,61,449
Increase / (Decrease) in Short Term Provisions	(2,10,00,480)	(3,30,28,041)
	(2,92,17,497)	(36,09,674)
Utilization of Funds in Working Capital		
Increase in Stock in Hand	20,06,519	(4,26,61,198)
Increase in Debtors	14,96,95,951	(4,84,37,111)
Increase in Short Term Loans and Advances	47,66,149	(8,80,35,546)
Increase in Other Current Assets	(13,26,97,654)	21,57,72,590
Increase in Other Non Current Assets	(1,51,78,787)	10,47,32,028
	85,92,178	14,13,70,762
Net Utilization of funds in Operating Activities	(3,78,09,675)	(14,49,80,437)
Cash Flows from Investing Activities		
Utilization of Funds in Investing Activities		
Decrease in Long Term Loans & Advances	-	7,58,46,499
Decrease in Non Current Investments	2,82,030	(3,97,074)
Investment in Property, Plant and Equipment	(3,74,42,993)	(9,42,10,715)
Net Utilization of funds in Investing Activities	(3,71,60,963)	(1,87,61,290)
Cash Flow from Financing Activity		
Increase in short term borrowings	(3,18,85,493)	2,76,07,751
Increase in long term borrowings	24,48,690	7,06,49,868
Increase in Share Capital	19,24,000	-
Increase in Securities Premium	80,80,800	-
	(1,94,32,003)	9,82,57,619
Cash Surplus (+) / Shortfall (-) arose during the year	1,35,92,857	79,72,597
Cash and Cash Equivalents at the beginning of the period	87,73,260	8,00,663
Cash and Cash Equivalents at the end of the period	2,23,66,117	87,73,260

Significant Accounting Policies Note '26'

As per our report of even date,

Ankit Chokshi & Co.

(F.R.N. : 121722W)

(Chartered Accountants)

A.A. Chokshi
(Ankit A. Chokshi)

(M. No. : 110303)

Partner

Date : 25.09.2019

Place : Ahmedabad



For and on behalf of the board ,

Rachana Infrastructure Limited

B. Mehta
Bhaminiben Mehta
Director
DIN: 01646822

Girishbhai Raval
Girishbhai Raval
Managing Director
DIN: 01646747

Gaurav J Dixit
Gaurav Dixit
Company Secretary

Ishita P. Raval
Ishita P. Raval
Chief Financial Officer

RACHANA INFRASTRUCTURE LIMITED

Notes to Balance Sheet

Note - 1 : Share Capital

Particulars	As at 31.03.2019	As at 31.03.2018
Authorised Share Capital :		
55,00,000 Equity shares of Rs.10/- each	5,50,00,000	5,50,00,000
Issued ,Subscribed & Paid Up Capital :		
52,60,000 Equity shares of Rs.10/- each	5,26,00,000	5,06,76,000

Reconciliation of Equity Share Capital	No. of Shares	No. of Shares
Equity Shares outstanding at the beginning of the year	50,67,600	50,67,600
Add : Shares issued during the year	1,92,400	-
Less: Shares bought back during the year	-	-
Equity Shares outstanding at the end of the year	52,60,000	50,67,600

List of Persons Holding More Than 5% of Paid-up Share Capital	No. of Shares	%	No. of Shares	%
Girishbhai Raval	2089677	39.73	2017177	39.81
Bhaminiben Mehta	351000	6.67	301000	5.94
Brijesh Raval	413800	7.87	240100	4.74
Jaydeep Raval	352120	6.69	172400	3.40

Note - 2 : Reserves and Surplus

Particulars	As at 31.03.2019	As at 31.03.2018
(a) Securities Premium		
Opening Balance	2,67,76,000	2,67,76,000
(+) Securities Premium Credited on Share Issue	80,80,800	-
Closing Balance	3,48,56,800	2,67,76,000
(b) Revaluation Reserve		
Opening Balance	12,27,44,548	12,27,44,548
(-) Written Back in Current Year	2,84,095	-
Closing Balance	12,24,60,453	12,27,44,548
(c) General Reserves		
Opening Balance	4,17,60,887	4,17,60,887
(+) Transferred from Surplus	-	-
Closing Balance	4,17,60,887	4,17,60,887
(d) Surplus		
Opening Balance	11,23,16,557	8,05,01,343
(+) Profit for the Year	4,25,74,587	3,18,15,214
(-) Dividend on Equity Shares	-	-
(-) Transferred to General Reserve	-	-
Closing Balance	15,48,91,144	11,23,16,557
Total Reserves & Surplus	35,39,69,284	30,35,97,992



Notes to Balance Sheet

Note - 3 : Long Term Borrowings

Particulars	As at 31.03.2019	As at 31.03.2018
Long term Borrowings (Refer note 6 for Current Maturities of long term Borrowings)		
a) Secured Term Loans from Bank (Refer Note - 3.1)	27,92,780	26,41,103
b) Secured-Term loan from Financial Institutions (Refer Note - 3.1)	7,27,87,340	7,84,03,927
c) Unsecured Loans (Refer Note - 3.2)	5,36,40,499	1,26,85,603
d) Other Non Current Financial Liabilities (Refer Note - 3.3)	13,80,60,271	17,11,01,567
Total	26,72,80,890	26,48,32,200

Note - 3.1 : Borrowings -Term Loans from Banks and Financial Institutions (including Current Maturities)

Lender	Nature of facility	Amount Outstanding as at March 31, 2019	No. of Outstanding Loans	Balance No. of instalments as at March 31, 2019	Frequency of Instalments
Axis Bank Ltd	Vehicle Loan	3744605	2	34-47	Monthly
Srei Equipment Finance Ltd	Construction Equipment Loan	103728567	11	17-27	Monthly
Tata Capital Financial Services	Construction Equipment Loan	14303311	8	22-46	Monthly
Tata Motors Finance Limited	Construction Equipment Loan	31731517	12	47-54	Monthly

All above Loans are secured by exclusive charge on respective Vehicle and/or Construction Equipment.

Note - 3.2 : Unsecured Loan

Particulars	As at 31.03.2019	As at 31.03.2018
Unsecured Loans from Related Parties	5,17,45,284	1,26,85,603
Unsecured Loans from Financial Institutions	18,95,215	-
Total	5,36,40,499	1,26,85,603

Note - 3.3 : Other Non Current Financial Liabilities

Particulars	As at 31.03.2019	As at 31.03.2018
Deposits from Vendors/Retention Money	8,80,60,271	12,11,01,567
Mobilization Advances	5,00,00,000	5,00,00,000
Total	13,80,60,271	17,11,01,567



RACHANA INFRASTRUCTURE LIMITED

Notes to Balance Sheet

Note - 4: Long Term Provisions

Particulars	As at 31.03.2019	As at 31.03.2018
Provision for Employee Benefits (Gratuity)	37,80,110	-
Total	37,80,110	-

Note - 5 : Short Term Borrowings

Particulars	As at 31.03.2019	As at 31.03.2018
a) Secured Short Term Borrowings from Banks (Refer Note - 5.1)	8,76,20,605	10,43,52,001
b) Unsecured Loans (Refer Note - 5.2)	51,04,785	-
c) Other Current Financial Liabilities (Refer Note - 5.3)	1,61,41,836	3,64,00,718
Total	10,88,67,226	14,07,52,719

Note - 5.1 : Secured Short Term Borrowings from Bank

Particulars	As at 31.03.2019	As at 31.03.2018
Cash Credit Facility with Bank of Baroda	6,05,62,367	6,00,17,338
Cash Credit Facility with Axis Bank	2,70,58,238	4,43,34,663
Total	8,76,20,605	10,43,52,001

Note - 5.2 : Unsecured Loans

Particulars	As at 31.03.2019	As at 31.03.2018
Indusind Bank Ltd	35,00,000	-
TATA Capital Financial Services Limited	16,04,785	-
Total	51,04,785	-

Note - 5.3 : Other Current Financial Liabilities

Particulars	As at 31.03.2019	As at 31.03.2018
Security Deposits/With Held Money/Retention Money	1,61,41,836	3,64,00,718
Total	1,61,41,836	3,64,00,718

- *(i) Term loan and C.C. limit from Bank of Baroda is secured by way of mortgage of Land & Building owned by the Company and situated at Block No. 394, 393 & 396 situated at Village Chiloda, Ta. Gandhinagar, Dist Gandhinagar
- (ii) Term loan and C.C. limit from Bank of Baroda is secured by way of mortgage of Factory Land situated at Survey No. 64, 65, 66, 67, 76 & 77
- (iii) Term loan and C.C. Limit from Bank of Baroda is secured by way of personal guarantee of Girishbhai Raval, Bhaminiben Raval and Ashokkumar Raval; Directors of the Company.
- (iv) Term loans and C.C. Limit are exclusively charged by way of Hypothecation of entire Machinery, electrical installations, furniture & fixtures, office equipments and other movable fixed assets of the company.



RACHANA INFRASTRUCTURE LIMITED

Notes to Balance Sheet

Note - 6 : Trade Payables

Particulars	As at 31.03.2019	As at 31.03.2018
Total outstanding dues of micro enterprises and small enterprises	9,73,529	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,24,74,146	6,31,98,152
Total	1,34,47,675	6,31,98,152

Note - 7 : Other Current Liabilities

Particulars	As at 31.03.2019	As at 31.03.2018
Current Maturities of Long Term Borrowings	7,82,11,325	4,01,33,518
Duties and Taxes (Refer Note - 7.1)	1,23,66,153	95,90,860
Other Payables	58,74,744	67,83,715
Advances of Trade Receivables	15,89,331	-
Total	9,80,41,553	5,65,08,093

Note - 7.1 : Duties and Taxes

Particulars	As at 31.03.2019	As at 31.03.2018
TDS	1,10,11,215	70,99,953
Professional Tax	92,340	4,22,500
Service Tax	-	5,95,259
VAT	12,62,598	14,73,147
Total	1,23,66,153	95,90,860

Note - 8 : Short Term Provisions

Particulars	As at 31.03.2019	As at 31.03.2018
<u>Provision for Employee Benefits</u>		
Gratuity Provision	12,25,383	-
<u>Other Provisions</u>		
Provision For Audit Fees	1,98,000	4,00,000
Provision for Electricity Expenses	4,64,033	6,32,186
Provision for Interest on late payment to MSME trade payables	69,673	-
Total	19,57,089	10,32,186



Property, Plant and Equipments

Sr. No.	Fixed Assets	Gross Block				Accumulated Depreciation			Net Block	
		Balance as at 1 April 2018	Additions	Deductions/ Adjustments	Balance as at 31 March 2019	Balance as at 1 April 2018	Depreciation for the year	Adjustments	Balance as at 31 March 2019	Balance as at 31 March 2018
1	Plant and Equipments	3342,77,889	406,20,344	212,73,018	3536,25,215	1916,92,644	426,26,228	143,92,837	1336,99,180	1425,85,245
2	Vehicles	81,30,427	11,03,770	-	92,34,197	45,23,352	12,00,301	-	35,10,544	36,07,075
3	Computer and Data Processing Units	7,05,592	3,96,187	-	11,01,779	6,08,912	2,35,183	-	2,57,684	96,680
4	Furniture and Fixtures	6,64,262	-	-	6,64,262	5,18,019	33,250	-	1,12,993	1,46,243
5	Laboratory Equipments	18,37,679	-	-	18,37,679	11,84,915	1,99,867	-	4,52,897	6,52,764
6	Electrical Installations and Equipment	9,40,987	-	-	9,40,987	8,83,398	10,519	-	47,070	57,589
7	Office Equipments	20,83,019	2,33,473	-	23,16,492	15,56,329	2,04,760	-	5,55,403	5,26,690
8	Buildings	55,94,268	14,01,900	2,84,095	67,12,073	23,44,839	1,40,602	-	42,26,632	32,49,429
9	Land	365,58,890			365,58,890	-	-	-	365,58,890	365,58,890
	Total	3907,93,013	437,55,674	215,57,113	4129,91,574	2033,12,408	446,50,710	143,92,837	1794,21,293	1874,80,605
	Previous Year	2969,65,673	943,28,540	1,51,200	3911,43,013	1771,41,517	262,04,266	33,375	1878,30,605	1198,24,156

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RACHANA INFRASTRUCTURE LIMITED

Notes to Balance Sheet

Note - 11 : Non Current Investments

Particulars	As at 31.03.2019	As at 31.03.2018
(a) Investment In Government or Trust Securities		
Sardar Sarovar Narmada Nigam Ltd	33,64,589	36,46,618
(b) Investment In Property		
Land and Building	21,60,76,883	21,60,76,883
Total	21,94,41,472	21,97,23,502

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

Note - 12 : Deferred Tax Assets (Net)

Particulars	As at 31.03.2019	As at 31.03.2018
Deferred tax Asset at the beginning	61,68,374	73,19,999
<u>Tax effect of items constituting deferred tax liability</u>		
On Depreciation	37,89,829	(11,51,625)
On Expenditure deferred in the books but allowable for tax purposes	-	-
On Gratuity	13,92,528	-
On items included in Reserves and surplus pending amortization into the Statement of Profit and Loss	-	-
Others (DTL reversed during the year)	-	-
Tax effect of items constituting deferred tax liability		
Net Deferred Tax Assets	1,13,50,731	61,68,374



RACHANA INFRASTRUCTURE LIMITED

Notes to Balance Sheet

Note - 13 : Other Non Current Asset

Particulars	As at 31.03.2019	As at 31.03.2018
Margin Money	84,50,034	2,47,85,093
Fixed Deposits against Bank Guarantee	1,53,54,880	74,24,300
Security Deposits/Performance Money/Retention Money (Unsecured and Considered Good)*	8,02,73,144	8,70,47,452
Total	10,40,78,058	11,92,56,845

*Retention Money/Performance Money includes Farnas Deposits which are under dispute and management has filed a suit under MSMED Act 2006 dated 30th June 2018, but management and their consultant are of the opinion that the same are fully

Note - 14 : Inventories

Particulars	As at 31.03.2019	As at 31.03.2018
Stock In Trade		
Stock at Quarry*	1,75,32,607	1,55,26,088
Total	1,75,32,607	1,55,26,088

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

Note - 15 : Trade Receivable

Particulars	As at 31.03.2019	As at 31.03.2018
Trade Receivables Considered Good - Secured	-	-
Trade Receivables Considered Good - Unsecured	23,56,91,827	8,59,95,876
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - Credit Impaired	-	-
Total	23,56,91,827	8,59,95,876

Note - 16 : Cash and Cash Equivalents

Particulars	As at 31.03.2019	As at 31.03.2018
Balance with Banks		
In Current Accounts	1,55,40,933	75,82,652
Cash on Hand		
Cash on Hand	68,25,184	11,90,608
Total	2,23,66,117	87,73,260



RACHANA INFRASTRUCTURE LIMITED

Notes to Balance Sheet

Note - 17 : Loans

Particulars	As at 31.03.2019	As at 31.03.2018
Inter Corporate Deposit	30,19,095	45,09,653
Loans Receivables considered good - Unsecured	96,47,956	33,91,249
Total	1,26,67,051	79,00,902

Note - 18 : Other Current Assets

Particulars	As at 31.03.2019	As at 31.03.2018
Balance With Government Authorities (Refer Note - 18.1)	1,66,26,832	1,86,41,573
Security Deposits/With Held Money/Retention Money	4,64,77,378	10,84,87,631
Prepaid Expenses	8,71,853	6,63,940
Contract WIP	3,27,48,175	10,16,28,747
Total	9,67,24,238	22,94,21,892

Note - 18.1 : Balance With Government Authorities

Particulars	As at 31.03.2019	As at 31.03.2018
Income Tax Refund	41,19,557	41,46,527
Royalty (Deposit)	1,98,478	5,01,895
GST Receivable	1,12,26,131	1,38,10,178
TDS Receivable (A.Y. 2017-18)	1,57,615	1,57,615
TDS Receivable (A.Y. 2018-19)	15,358	15,358
TDS & TCS Receivable (A.Y. 2019-20)	8,99,693	-
(Net of Provision for Income Tax of Rs. 2,07,00,000/- of F.Y.2018-19)		
Commercial Tax Officer Jhabua	10,000	10,000
Total	1,66,26,832	1,86,41,573



RACHANA INFRASTRUCTURE LIMITED

Notes to Profit and Loss Account

Note - 19 : Revenue From Operations

Particulars	2018-19	2017-18
Value of Sales		
Sales of Products	16,84,24,183	11,10,90,162
Income from Services		
Contract Receipts	95,26,04,703	81,90,46,745
Total	1,12,10,28,886	93,01,36,907

Note - 20 : Other Income

Particulars	2018-19	2017-18
Interest Income		
Bank Deposits	19,91,096	-
Bond Interest	2,30,352	-
Other Interest	6,99,609	23,12,255
Total	29,21,057	23,12,255
Other Non Operating Income		
Rent Income	88,41,000	81,60,000
Hiring Income	9,06,685	-
Profit on sale of Fixed Assets	15,76,428	33,375
UGVCL Electricity Duty Refund Income	-	28,00,601
Miscellaneous Income	7,09,411	73,743
Lease Income	15,01,270	-
Discount Income	13,93,622	-
Sundry Balances Written off	4,54,200	-
Total	1,53,82,616	1,10,67,719
Total Other Income	1,83,03,673	1,33,79,974

Note - 21 : Cost of Material Consumed

Particulars	2018-19	2017-18
Opening Stock	-	4,61,94,683
Add: Purchases of Raw Materials	26,42,27,535	24,76,14,305
Less: Closing Stock	-	-
Total	26,42,27,535	29,38,08,988

Note - 22 : Change in Inventories

Particulars	2018-19	2017-18
Opening Stock	1,55,26,088	1,19,92,604
Less: Closing Stock	1,75,32,608	1,55,26,088
Total	(20,06,520)	(35,33,484)



RACHANA INFRASTRUCTURE LIMITED

Notes to Profit and Loss Account

Note - 23 : Employee Benefit Expenses

Particulars	2018-19	2017-18
Salaries and Wages		
Salary Expenses	6,21,76,296	5,30,70,704
Contribution to Provident and Other Funds		
Employer's Contribution to Provident Fund	1,65,843	2,39,889
Gratuity Expenses	12,62,420	-
Administrative Charges (PF)	7,885	10,996
Staff Welfare Expenses		
Staff Welfare Expenses	5,57,622	4,55,003
Mess Expenses	1,04,81,375	66,90,248
Total	7,46,51,441	6,04,66,840

Note - 24 : Finance Cost

Particulars	2018-19	2017-18
Interest Expenses		
Bank Interest and Other Charges	98,23,163	82,25,589
Interest on TDS	8,94,653	7,11,023
Other Interest	4,25,244	6,36,253
Other Interest	2,55,72,916	2,46,81,287
Finanace Charges	1,81,62,689	57,19,629
Total	5,48,78,665	3,99,73,781
Other Borrowing Cost		
Bank Charges	20,90,475	29,48,393
Bank Guarantee Charges	66,45,885	38,88,643
Differement Charges	2,300	2,23,931
Loan Processing Fees	10,57,597	18,58,712
Total	97,96,257	89,19,679
Total Finance Cost	6,46,74,922	4,88,93,460



RACHANA INFRASTRUCTURE LIMITED

Notes to Profit and Loss Account

Note - 25 : Other Expenses

Particulars	2018-19	2017-18
Bad Debt	23,46,877	-
Payment to Auditors	2,20,000	2,60,000
Income Tax Expenses	-	13,00,406
Commission Expenses	40,65,932	-
Power and Fuel	13,94,19,622	9,13,72,691
Hiring Charges	2,71,71,883	1,42,57,995
Rent Expenses	6,78,000	11,92,675
Lease Rental Expenses	53,54,638	-
Repairs to Plant and Machinery	3,30,12,433	2,33,96,269
Insurance Expenses	20,43,749	16,30,286
Rates and Taxes (Excluding Taxes on Income)	2,53,180	1,33,13,587
Road Work Charges	31,45,73,010	20,14,39,542
Road Furniture and Accessories Expenses	63,69,732	78,55,513
Labour Expense	1,27,71,842	1,45,82,696
Excavation Charges	14,64,179	1,52,46,408
Plant Operate Charges - Vadagam	1,18,48,220	97,33,851
Transportation Expenses	83,74,995	2,20,79,449
Water Expenses	23,08,466	24,72,518
Royalty Expenses	3,94,35,317	2,71,85,527
Consultancy Fees	26,65,551	13,41,332
Electrical Expenses	20,04,675	20,75,063
Drilling Expenses	7,16,025	13,47,450
Emulsion Expenses	7,34,846	41,17,306
Other Expenses	1,32,18,929	1,42,23,809
Total	63,10,52,101	47,04,24,373



Rachana Infrastructure Limited.
(CIN : U45203GJ2001PLC039725)

Note No.: 26

Acct. Year 2018-19

(A) Corporate Information:

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 Road Development and Quarry Mining.

(B) 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. 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.

Gains or losses arising from de-recognition of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

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

3. Intangible Assets:

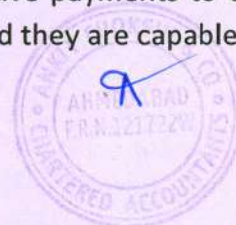
Intangible assets with finite useful lives that are acquired separately are measured on initial recognition at cost and carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized as per the written down value method over the estimated useful life of the asset. Intangible Assets mainly consists of Computer Software having estimated useful life of 5 years.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the assets are recognized in profit or loss when the asset is derecognized.

4. Revenue Recognition:

- 1) 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.
- 2) Revenue from contracts is recognized on the basis of percentage completion method given as per AS 7.
- 3) 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.
- 4) 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.

- 5) Interest income from Investment is accounted when the same is accrued.
- 6) Other Income and government benefits, subsidies, refunds etc. are accounted when right to receive is established.

5. 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 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.

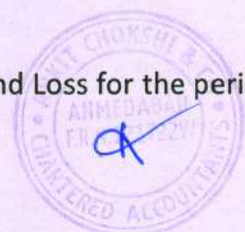
6. Investment:

Current investments, if any, are valued at lower of cost or fair market value. Long term investments, if any, are stated at cost less permanent diminution, if any, in value.

7. Borrowing Costs:

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.



8. 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.

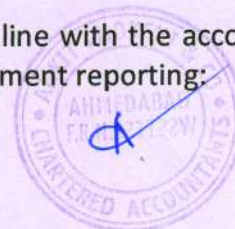
During the year, the company has made provision of Rs. 50,05,493/- for Payment of Gratuity under the provisions of Payment of Gratuity Act, 1972. Out of Rs. 50,05,493/- amount of Rs. 12,62,420/- relates to F.Y. 2018-19 and balance of Rs. 37,43,073/- is pertaining to earlier years. Therefore, the balance amount of Rs. 37,43,073/- is shown as Prior Period item as per AS-5 'Net Profit or loss for the period, Prior Period items and changes in accounting policies'.

9. 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 two principal operating and reporting Business segments; viz. Road Development Services and Quarry Mining. (Refer Note no. 9.1)

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting:



- a) Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- b) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

10. 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. **2,07,00,000/-** for taxation in the books of account in view of current year profit as per the Income Tax Act., 1961.

11. 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	2018-19	2017-18
(i)Guarantees		
Guarantees to Banks and Financial Institutions against credit facilities extended to third parties and other Guarantees	17,38,60,405	18,10,45,869
Total	17,38,60,405	18,10,45,869

12. Use of Estimates:

The preparation of financial statement requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known or materialized.

13. Earnings per Share:

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. 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:



Sr. No.	Name	Relation	Nature of Transaction	As at 31.03.2019	As at 31.03.2018
1	Girish Raval	Key Managerial Personnel (KMP)	Remuneration Paid	45,00,000	37,60,800
			Interest Paid	7,66,132	59,37,895
			Loan Taken	49,00,000	3,35,20,000
			Loan Repaid	83,40,000	7,72,97,000
2	Ashok Raval	Director	Interest Paid	39,82,948	-
3	Bhaminiben Baldevprasad Mehta	Director	Interest Paid	-	1,184
			Interest Received	7,166	-
			Loan Taken	-	6,00,000
4	Jaydeep Raval	Relative of KMP	Remuneration Paid	30,00,000	22,10,800
5	Brijesh Raval	Relative of KMP	Remuneration Paid	33,00,000	27,25,600
6	Ishita Raval	Chief Financial Officer	Remuneration Paid	12,00,000	3,10,800
7	Devanshi Dave	Relative of KMP		9,50,000	7,26,559
			Remuneration Paid		
8	Bhamini Infrastructure Limited	Enterprises over which KMP and/or Relatives of KMP are able to exercise Significant Influence	Hiring Charges Paid	32,41,500	-
			Interest Received	5,41,158	4,88,410
9	Om Education Trust	Enterprises over which KMP and/or Relatives of KMP are able to exercise Significant Influence	Interest Paid	1,01,58,296	1,23,95,984
			Rent Income	88,41,000	81,60,000
			Acceptance of Deposit	4,05,34,543	1,30,00,000
			Repayment of Deposit	8,22,91,824	1,39,17,976

15. 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.

16. 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:

Particulars	As at 31.03.2019	As at 31.03.2018
Deferred Tax Asset	61,68,374	73,19,999
Tax effect on difference between depreciation as per books and as per Income Tax	51,82,357	(11,51,625)
Net Deferred Tax Asset	113,50,731	61,68,374

The Company has recognized deferred Tax Asset on Depreciation as per books and depreciation allowable as per Income Tax Act, 1961.

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

Particulars	31.03.2019
Contract Revenue recognised for the F.Y.	952,604,703/-
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) as at the end of the financial year for all contracts in progress as at that date	1,054,250,418 /-
Amount due to Customers for contract work at the end of the financial year	Nil
Amount due from Customers for contract work at the end of the financial year	32,765,141 /-

Revenue from Operation

Particulars	AMC Contract	Salal Sonasan Contract	MP Contract	Ghosala Contract	Vijaynagar
Total Revenue (Bill raised in F.Y. 2018-19)	94,073,818	41,022,117	859,082,651	25,622,528	16,84,163
Total Project Revenue	221,633,580	69,575,714	2,660,868,242	471,702,462	7,000,000
Estimated Total Project Cost	209,887,000	64,844,565	2,563,746,551	449,296,595	6,667,500
Contract Cost incurred till 31.03.2019	89,073,126	61,046,075	2,342,123,829	41,712,087	5,224,404
% Completion	42.44%	94.14%	91.36%	9.28%	78.36%
Revenue based on % Completion	94,058,212	65,500,080	2,430,849,848	43,792,217	5,484,939
Revenue booked upto 31.03.2019	94,073,818	65,482,187	2,416,261,649	25,622,528	5,479,973
Actual WIP Sales	-	-	14,582,600/-	18,165,575/-	-




(B) Notes on Accounts:-

- 1 Balances of Depositors, Sundry Debtors, Creditors and Advances are subject to confirmation and reconciliation.
- 2 Previous year figures have been regrouped, rearranged and recast to correspond with the figures of the current years.
- 3 All known liabilities have been provided for in the books of accounts for the year under report.
- 4 Details relating to total outstanding dues to Micro, Small and Medium Enterprise:
Principal Amount: Rs. 9,73,529/-
Interest Amount: Rs. 69,673/-
- 5 Payments to Auditors For-
Audit Fees : Rs. 2,20,000/-
Other Matters : Rs. NIL
- 6 The balances of the Deposits could not be verified and hence relied on the data provided by the Assessee.

For, Rachana Infrastructure Limited

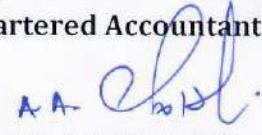

Director


Director

Date: 25/09/2019
Place: Ahmedabad

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




A.A.
(Ankit Chokshi)
(M. No. - 110303)
(Partner)

Date: 25/09/2019
Place: Ahmedabad