

K&R RAIL ENGINEERING LIMITED

CIN: L45200TG1983PLC082576

**Registered Office : 12-5-32/8, Bhatukammakunta, Vijapuri, South
Lallaguda TG 500017**

Email:krrailengineering@gmail.com Phone: +91 4027017617, +91 40 27000499

Fax: +91 40 270001295

03rd November, 2022

**The General Manager
Corporate Relationship Department
The BSE Limited
P. J. Towers,
Dalal Street, Fort
Mumbai- 400 001**

**Subject: Annual Report 2021-22 submission of M/s K&R Rail Engineering Limited
(Formerly Known as Axis Rail India Limited)**

In terms of Regulation 34(1) of SEBI Listing Regulations, 2015. We wish to submit copy of Annual Report for the FY 2021-22.

You are requested to kindly acknowledge the receipt of the same.

Thanking You,

Yours faithfully,

**For & on behalf of the board
M/S K&R RAIL ENGINEERING LIMITED
(FORMERLY KNOWN AS AXIS RAIL INDIA LIMITED)**

**Latha Pamula
Company Secretary and Compliance Officer**

**39th
ANNUAL REPORT
2021-2022**



K&R RAIL ENGINEERING LIMITED

(FORMERLY KNOWN AS *AXIS RAIL INDIA LIMITED*)

CIN: L45200TG1983PLC082576

**Regd. Office : 12-5-32/8, Bhatukammakunta Vijapuri, South Lallaguda,
Secunderabad Hyderabad TG 500017 IN**

CORPORATE INFORMATION

BOARD OF DIRECTORS

MS. MANIZA KHAN
MR. AMIT BANSAL
MR. SUKESH KUMAR SHARMA
MR. SANJAY KOTTHAPALLI
MR. RABINDRA KUMAR BARIK
MR. MIRZA MOHAMMED BAIG
MR. SURESH SOLANKI

COMPANY SECRETARY

Ms. LATHA PAMULA

CHIEF FINANCIAL OFFICER

MR. PRAHALLADA RAO

REGISTRAR

AARTHI CONSULTANTS PVT. LTD
1-2-285, DOMALGUDA, HYDERABAD
– 500 029
Phone: 040-27638111, 27634445
Email: info@arthiconsultants.com

REGISTERED OFFICE

12-5-32/8, Bhatukammakunta Vijapuri,
South Lallaguda Secunderabad Hyderabad
TG 500017 IN

CIN: L45200TG1983PLC082576

Email Id: krrailengineering@gmail.com

AUDITORS

M/S. CHOWDARY AND RAO
CHARTERED ACCOUNTANTS
#8-3-677/26, 1st FLOOR, SRIKRISHNA
DEVARAYA NAGAR COLONY, OPP.
RBI QUARTERS, YELLAREDDYGUDA,
HYDERABAD 500073

PRINCIPAL BANKERS

AXIS BANK AND ICICI
BANK- HYDERABAD

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NOTICE

NOTICE is hereby given that 39th Annual General Meeting of the shareholders of M/s K&R RAIL ENGINEERING LIMITED (Formerly known as AXIS RAIL INDIA LIMITED) will be held on Wednesday, the 30th day of November, 2022 at 02.00 P.M. at the registered office of the Company 12-5-32/8, Bhatukammakunta Vijapuri, South Lallaguda Secunderabad Hyderabad TG 500017 IN, to transact the following businesses:

ORDINARY BUSINESS:

1. ADOPTION OF FINANCIAL STATEMENTS, DIRECTORS AND AUDITORS REPORTS:

To receive, consider and adopt the Audited Financial Statement for the financial year ended 31st March 2022 and the Reports of the Board of Directors and Auditor's thereon.

2. To appoint a Director in place of Mr. Amit Bansal (DIN 06750775), who retires by rotation and, being eligible, offers himself for re-appointment.

3. APPOINTMENT OF SUKESH KUMAR SHARMA DIN: 07956766 AS A DIRECTOR:

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

“RESOLVED THAT pursuant to the provisions of Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Sukesh Kumar Sharma DIN: 07956766, who was appointed as Additional Director in the Board Meeting held on 04th October, 2021 to hold office up to the date of this Annual General meeting be and is hereby elected and appointed as Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT Directors/Company Secretary of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

4. APPOINTMENT OF MIRZA MOHAMMED BAIG DIN: 9462065 AS A DIRECTOR:

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

“RESOLVED THAT pursuant to the provisions of Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mirza Mohammed Baig DIN: 9462065, who was appointed as Additional Director (Non-Executive Non-Independent) in the Board Meeting held on 15th June, 2022 to hold office up to the date of this Annual General meeting be and is hereby elected and appointed as Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT Directors/Company Secretary of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

5. APPOINTMENT OF SURESH SOLANKI (DIN: 02550445) AS A DIRECTOR

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

“RESOLVED THAT pursuant to the provisions of Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Suresh Solanki DIN: 02550445, who was appointed as Additional Director – Executive in the Board Meeting held on 22nd August, 2022 to hold office up to the date of this Annual General meeting be and is hereby elected and appointed as Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT Directors/Company Secretary of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

SPECIAL BUSINESS

6. TO APPOINTMENT MR. RABINDRA KUMAR BARIK (DIN: 08773785) AS INDEPENDENT DIRECTOR OF THE COMPANY

To Consider and, if thought fit, to pass with or without modification(s), the following resolution as Special resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, and 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with Article 60 to 66 of Articles of Association of the Company Mr. Rabindra Kumar Barik (DIN: **08773785**), whose designation was changed to Independent Director of the Company by the Board of Directors at its meeting held on 15th June 2022 pursuant to Section 161 of the Act and as recommended by the Nomination & Remuneration Committee and whose term of office expires at this Annual General Meeting (AGM) be and is hereby appointed as an Independent Director of the Company to hold the office for a term upto five consecutive years commencing from 15th June 2022, whose period of office will not be liable to determination by retirement of directors by rotation.

“RESOLVED FURTHER THAT pursuant to the provisions of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the consent of the Shareholders be and is hereby accorded for continuation of directorship Mr. Rabindra Kumar Barik (DIN: **08773785**), as a Non-Executive Independent Director of the Company.

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and/ or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

7. TO PASS THE RESOLUTION PURSUANT TO SECTION 180 (1)(c):

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

“RESOLVED THAT the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company under Section 180(1) (c) and other applicable provisions, if any, of the Companies Act, 2013 (which shall include any statutory modification or re-enactment thereof), for borrowing from time to time, any sum or sums of money for the purposes of the Company from the Company’s bank or any other bank, financial institutions or any other lending institutions or persons on such terms and conditions and with or without security as the Board of Directors may in its discretion think fit, notwithstanding, that the money or monies to be borrowed by the Company (apart from the Temporary loans obtained or to be obtained from time to time from the Company’s Bankers in the ordinary course of business) together with the money already borrowed, may exceed the aggregate of the Paid-up share Capital of the Company, its free reserves that is to say, reserves not set apart for any specific purpose(s), and Security Premium amount, provided however that the money or monies to be borrowed by the Company together with the money already borrowed shall not, at any time exceed Rs.150 Crores (Rupees One Hundred and Fifty Crores only)”.

8. TO PASS THE RESOLUTION PURSUANT TO SECTION 180 (1)(a):

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

“RESOLVED THAT the consent of the shareholders of the Company be and is hereby accorded under Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (which shall include any statutory modification or re-enactment thereof) to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof) to create such Charges, Mortgages and Hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the management and concern of the Company in certain events in favour of Banks/Financial Institutions and other investing agencies to secure Rupee/foreign currency Loans and Working capital facilities availed or proposed to be availed by the Company, provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said Loans, shall not, at any time exceed the limit of Rs.150 Crores (Rupees One Hundred and Fifty Crores only)

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, as well as to execute all such documents, instruments and writings as may be required in order to give effect to the above resolution”.

Date: 01.11.2022
Place: Hyderabad

By order of the Board of Directors
For K&R Rail Engineering Limited
(Formerly known as AXIS RAIL INDIA LIMITED)
Sd/-
Maniza Khan
Chairperson

NOTES:

- (1) A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and to vote on a poll instead of himself and the proxy need not be a member of the company. The instrument appointing the proxy in form no. MGT 11 is attached herewith and, if intended to be used, it should be returned duly completed and signed at the registered office of the company not less than (48) forty eight hours before the scheduled time of the commencement of 39th Annual General Meeting.
- (2) A person can act as proxy on behalf of members not exceeding (50) fifty in number and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. However, a member holding more than 10% 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 proxy for any other person or shareholder
- (3) Every member entitled to vote at the meeting, or on any resolution to be moved there at, shall be entitled during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days notice in writing of the intention so to inspect is given to the company.
- (4) **A.** Members holding shares in physical form are requested to notify/send the following to the Registrar & Transfer Agent (RTA) of the Company M/s AARTHI CONSULTANTS PVT. LTD 1-2-285, DOMALGUDA, HYDERABAD – 500 029 Phone: 040-27638111, 27634445 Email: info@aarthiconsultants.com.
 - a. their bank account details in order to receive payment of dividend, whenever declared, through electronic mode
 - b. their email id, in case the same have not been sent earlier, for the purpose of receiving the communication electronically
 - c. any change in their address/e-mail id/ECS mandate/ bank details
 - d. share certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholding into one account**B.** Members holding shares in dematerialized form are requested to notify to their Depository Participant :-
 - a. their email id
 - b. all changes with respect to their address, email id, ECS mandate and bank details.
- (5) The Securities and Exchange Board of India has notified that the shareholders/ transferee of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their Income Tax Permanent Account Number (PAN) card to the Company / RTA while transacting in the securities market including transfer, transmission or any other corporate action. Accordingly, all the shareholders/ transferees of shares (including joint holders) in physical form are requested to furnish a certified copy of their PAN Card to the Company/ RTA while transacting in the securities market including transfer, transmission or any other corporate action.
- (6) In terms of notification issued by the Securities Exchange Board of India (SEBI), the shares of the Company are under compulsory Demat trading. Members holding shares in physical form are requested to convert their shares into dematerialized form in their own interest and convenience purpose
- (7) In accordance with Section 20 of the Companies Act, 2013 service of documents on members by a company is allowed through electronic mode. Accordingly, as a part of Green Initiative, soft copy of the Annual Report 2021-22 is being sent to all the members whose email address (es) are registered with the Company/ Depository Participant(s) unless any member has requested for a hard copy of the same. Further, in accordance with Listing Agreement and Section 136 of the Companies Act, 2013 including Rule 10 of the Company (Accounts) Rules, 2014 the hard copies of Abridged Annual Report 2021-22 is being sent to all other members who

have not registered their email address(es). Members can also submit their form along with Attendance Slip at the Registration Counter at AGM. Members holding shares in dematerialized form are requested to register their email address with their Depository Participant only. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon receipt of request for the same, free of cost.

- (8) In case any Member has any query relating to the Annual Accounts he/she is requested to send the same to Mr. AMIT BANSAL at the Registered Office of the Company at least 10 days before the date of AGM so as to enable the management to keep the information ready for replying at the meeting.
- (9) All the documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days between 11.00 am to 1.00 pm up to the date of AGM. The Register of Directors and Key Managerial Personnel & their Shareholding and the Register of Contracts & Arrangements in which Directors are interested shall be open for inspection at the Annual General Meeting to any person having right to attend the meeting.
- (10) Members holding shares in physical form and desirous of making a nomination or cancellation/variation in nomination already made in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to submit to the RTA of the Company M/s AARTHI CONSULTANTS PVT. LTD the prescribed Form SH.13 for nomination and Form SH.14 for cancellation/ variation as the case may be.
- (11) Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 24-11-2022 to 30-11-2022 (both days inclusive) for the purpose of AGM.
- (12) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (13) Members are advised to refer to the Shareholders Referencer provided in the Annual Report.
- (14) (a) This Notice is being sent to all the members whose name appears as on 28-10-2022, in the register of members or beneficial owner as received from M/s Aarthi Consultants Private Limited, the Registrar and Transfer Agent of the Company.
- (15) (b) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on November 23, 2022, being the cut-off date. Members are eligible to cast vote electronically only if they are holding shares as on that date.
- (16) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board resolution/power of attorney authorizing their representative(s) to attend and vote on their behalf at the Meeting.
- (17) In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through e-voting, the said resolutions will not be decided on a show of hands at the Meeting.
- (18) Members holding shares in multiple folios in identical names or joint accounts in the same order of names are requested to consolidate their shareholdings into one folio.
- (19) E-VOTING:**
 - a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (New Listing Obligations & Disclosure Requirements) Regulations 2015, a member of the Company holding shares either in physical form or in dematerialized form may exercise his right to vote by electronic means in respect of the resolution(s) contained in this notice.
 - b. The Company is providing facility for voting by electronic means to its members to enable them to cast their votes through such voting. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide remote e-voting facility (i.e. the facility of casting votes by a member by using an electronic voting system from a place other than the venue of a general meeting).

- c. The Company shall also provide facility for voting through Ballot or polling paper which shall be available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
- d. The members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- e. The Board of Directors have delegated the power required to give effect to the AGM to Miss. Yavanika Singh (Company Secretary) and Mr. Amit Bansal (CEO) to do all acts, deeds, agreements etc including but not limited to appointment of scrutinizer
- f. The cut-off date for the purpose of voting (including remote e-voting) is 23rd November, 2022.
- g. Members are requested to carefully read the instructions for remote e-voting before casting their vote.
- h. The remote e-voting facility will be available during the following period after which the portal shall forthwith be blocked and shall not be available:

Commencement of remote e-voting	09:00 a.m. (IST) on November, 27,2022
End of remote e voting	05:00 p.m. (IST) on November, 29, 2022

- i. Any member, who have caste his/ her/ its vote through remote e-voting, may participate in the general meeting but shall not be allowed to vote at the AGM.
- j. Persons who have acquired shares and became members of the Company after dispatch of the Notice of AGM but before the cut-off date of November 23rd 2022, may obtained their user ID and password for e-voting from the Company’s Registrar and share transfer Agent or NSDL/CDSL.
- k. The procedure and instructions for remote e-voting are as under:
 - i. Log on to the e-voting website www.evotingindia.com.
 - ii. Click on “Shareholders” tab.
 - iii. Select “K&R RAIL ENGINEERING LIMITED” from the dropdown menu and click on “SUBMIT”
 - iv. Enter your User ID - For CDSL: 16 digits beneficiary ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- v. If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below

Fill up the following details in the appropriate boxes:

PAN*	Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the sequence number (available in the Address Label pasted in the cover and/ or in the e-mail sent to members) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0’s

before the number after the first two characters of the name. Eg. If your name is Vasudevan with sequence number 1 then enter VA00000001 in the PAN field.

Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- vi. If you are already registered with CDSL for e-voting, then you can use your existing User ID and Password for Login.
- vii. If you are logging in for the first time, please follow the steps provided in this document.
- viii. After entering these details appropriately, click on “SUBMIT” tab.
- ix. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Set Password’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the Name of the Company i.e. K&R RAIL ENGINEERING LIMITED.
- xii. On the voting page, you will see Resolution Description and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- xiv. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote
- xvi. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii. If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code, click on Forgot Password & enter the details as prompted by the system.
- xviii. Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) are required to log on to www.evotingindia.com and register themselves as Corporate. A scanned copy of the Registration Form bearing the stamp and signature of the entity should be emailed to helpdesk.evoting@cdslindia.com. After receiving the login details, a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- xix. The facility for remote e-voting shall remain open from 9.00 AM on Sunday the 27th November, 2022 to 5.00 PM on Tuesday, the 29th November 2022. During this period, the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, viz. Wednesday, the 23rd November, 2022, may opt for remote e- voting. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- xx. If any member has any problem/ query regarding e-voting then he may contact to the below person:
Name :AMIT BANSAL
Designation :CEO

Address :1-7-110, FLAT NO.301, KESHAVANAGAR COLONY SMR VINAY
HEIGHTS, METTUGUDA SECUNDERABAD 500017
E-mail id : axisrailindia@gmail.com/Krrailengineering@gmail.com
Phone No : 040-27000499

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No- 6

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 15th June, 2022, has changed the Designation of Mr. Rabindra Kumar Barik (DIN: **08773785**), to Independent Director, pursuant to Section 161 of the Companies Act, 2013. As per the provisions of said section, Mr. Rabindra Kumar Barik (DIN: **08773785**), holds office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term up to five years.

The Company has received a declaration of independence from Mr. Rabindra Kumar Barik (DIN: **08773785**), as per the provisions of the Companies (Amendment) Act, 2017 as well as the SEBI (Listing Obligations and Disclosure Requirements), (Amendment), Regulations, 2018. In the opinion of the Board, Mr. Rabindra Kumar Barik (DIN: **08773785**), fulfils the conditions specified in the Companies Act, 2013 read with requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (Listing Regulations), for his appointment as an Independent Director of the Company.

Mr. Rabindra Kumar Barik (DIN: **08773785**), is aged 62 years. In view of the provisions of Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements), (Amendment) Regulations, 2018, for the appointment/continuation of Mr. Rabindra Kumar Barik (DIN: **08773785**), as a Non- Executive Independent Director from 15th June, 2022 to 15th June, 2027, consent of the Members is required by way of a Special Resolution.

The Company has received Notice under Section 160 of the Companies Act, 2013 from a member proposing 15th June, 2022 as a candidate for office of Director of the Company. A brief profile of Mr. Rabindra Kumar Barik (DIN: **08773785**) as required under Regulations 36(3) of the Listing Regulations with the Stock Exchanges, is given in Annexure A to this Explanatory Statement.

Having regard to his qualifications, knowledge and rich experience, his appointment on the Board of the Company as an Independent Director will be in the interest of the Company.

Except Mr. Rabindra Kumar Barik (DIN: **08773785**, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested (financially or otherwise) in the resolution.

Copy of draft letter for appointment of Mr. Rabindra Kumar Barik (DIN: **08773785**) as an Independent Director setting out the terms and conditions would be available for inspection at the Registered Office of the company during normal business hours on any working day, excluding Saturday and Sunday. The Board recommends the resolutions for the approval of the Members.

Brief profile of the Mr. Rabindra Kumar Barik (DIN: **08773785**), Independent Director (Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) is as under:

Name of the Director	Mr. Rabindra Kumar Barik (DIN: 08773785)
Date of Birth	12/09/1959
Date of Appointment	15 th June, 2022
Qualification	Post Graduate
Directorship in other Public Limited Companies/excluding Private Companies which are subsidiary of Public Company	0
Member/Chairman of Committee of the Board of the Public Limited Companies on which he is Director	0
Terms & conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn	Mr. Rabindra Kumar Barik (DIN: 08773785) will be entitled to receive the Sitting Fees for attending each meeting of the Directors and the Committees thereof, of which he is a Member and profit related commission, as may be decided by the Board of Directors every year in accordance with the approval granted by the shareholders.
Number of shares held in the Company	NIL
Disclosure of relationship between directors inter-se, Manager and Key Managerial Personnel	NA
Number of Board Meetings attended during the year as Independent Director	1

Item No. 7 & 8

Section 180 of the Companies Act, 2013 requires the consent of the shareholders of the company accorded by way of a special resolution is required to borrow money in excess of the company's paid up share capital. Free reserves and Security Premium. It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) read with Section 180 (1)(a) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 7 & 8 of the Notice. The Board proposes these resolutions for approval by the members of the Company.

None of the Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the SPECIAL Resolution at item 7 & 8 of this notice for shareholder's approval.

Date: 01.11.2022
Place: Hyderabad

By order of the Board of Directors
for K&R Rail Engineering Limited
(Formerly known as AXIS RAIL INDIA LIMITED)
Sd/-
Maniza Khan
Chairperson

DIRECTOR'S REPORT

Dear Members,

Your Directors are pleased to present the Thirty Ninth Annual Report and the Company's audited financial statement for the financial year ended March 31, 2022.

1. FINANCIAL RESULTS

The Company's financial performance, for the year ended March 31, 2022 is summarized below:

(In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2022	YEAR ENDED 31.03.2021
Sales for the year	19465.05	12993.66
Other Income	65.00	0
Total Income	19530.05	12993.66
Profit before Financial Expenses, Preliminary expenses, Depreciation and Taxation	1153.42	937.02
Less: Financial expenses	112.99	155.77
Operating profit before Preliminary expenses, Depreciation & Taxation	1040.43	781.25
Less: Depreciation & Preliminary expenses written off	182.52	180.34
Profit before Taxation	857.91	600.91
Less : Provision for Taxation		
Current Tax	230.00	161.00
Earlier year Tax	2.63	0.00
Deferred Tax	19.76	16.20
Profit after Taxation	605.52	423.71
Other Comprehensive Income		
(i) Items that will not be reclassified to profit or loss	18.08	3.64
(ii) (i) Items that will be reclassified to profit or loss	-	-
Total Comprehensive Income for the period	623.60	427.35

2. STATE OF COMPANY'S AFFAIRS/ BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/HIGHLIGHTS/OPERATIONS

Kindly refer to Management Discussion & Analysis and Corporate Governance Report which forms part of this report.

3. DIVIDEND:-

The Directors have decided to invest the earnings in the growth of business and for this reason, have decided to not to declare any Dividend for the year under review.

4. RESERVES:-

Your Directors propose to transfer the amount of Net Profit After Tax to General Reserve for the financial year ended March 31, 2022 as no dividend is declared during the year keeping in view the requirement to plough back the funds for internal growth of the company. Detailed view of Reserves/Other Equity is as follows:

Other equity

Particulars	Reserves and Surplus		Total
	General reserve	Retained earnings	
At April 1, 2020	1,411.02		1,411.02
Profit for the year		423.71	423.71
Less: Adjustment to depreciation			-
Other comprehensive income		3.64	3.64
Transfer from Retained earnings to General reserve	427.35	(427.35)	-
At March 31, 2021	1,838.37	-	1,838.37
Profit for the year		605.51	605.51
Other comprehensive income		18.08	18.08
Transfer from Retained earnings to General reserve	623.60	(623.60)	-
Balance as of 31 March 2022	2,461.97	-	2,461.97

5. SHARE CAPITAL:

a. Equity Share Capital	₹ in Lakhs	
	No. of shares	Amount
Balance as at April 1, 2018	157.79	1,577.94
Balance as at March 31, 2019	157.79	1,577.94
Balance as at March 31, 2020	157.79	1,577.94
b. Preference Share Capital	No. of shares	Amount
Balance as at April 1, 2018	141.15	1,411.46
Balance as at March 31, 2019	141.15	1,411.46
Balance as at March 31, 2020	141.15	1,411.46
Total Share Capital		2,989.39

6. **DIRECTORS:-**

In accordance with the provisions of the Companies Act 2013 and the Articles of Association of the Company, Sukesh Kumar Sharma was appointed as the Additional Director of the Company on 04th October, 2021, Mirza Mohammed Baig was appointed as the Additional Director of the Company on 15th June, 2022 and Suresh Solanki was appointed as the Additional Director of the Company on 22nd August, 2022 and to hold office up to the date of this Annual General meeting be and being eligible they have offered themselves for appointment as the Directors of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

Mr. Rabindra Kumar Barik (DIN: 08773785) whose designation was changed Director (Independent Non-Executive) of the Company to comply with Regulation 17 (1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on 15th June, 2022 and to hold office up to the date of this Annual General Meeting be and being eligible they have offered themselves for appointment as the Directors of the Company

The Company has in place a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors.

On the basis of the Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors, feedback was obtained from all the Directors by way of a structured questionnaire for the evaluation of the Board, its Committees and the individual directors covering, inter-alia, various aspects of their performance including composition and skills, board dynamics, understanding of Company's operations, contribution at meetings and inter-personal skills. The responses received were evaluated by the Board.

7. **KEYMANAGERIALPERSONNEL**

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Mr. Amit Bansal	CEO
Ms. Latha Pamula	Company Secretary and Compliance Officer
Mr. Kulkarni Prahallada Rao	CFO

Mr. Paga Venu Gopal Reddy resigned from the post of Chief Financial Officer of the Company on 06th September, 2021 and Mr. Kulkarni Prahallada Rao was appointed as a Chief Financial Officer with effect from on 06th September, 2021.

Ms Yavanika Singh resigned from the Post of Company Secretary and Compliance Officer of the Company on 01st August, 2022 and Ms. Latha Pamula was appointed as Company Secretary and Compliance Officer of the Company with effect from 16th August, 2022

8. MATERIAL CHANGES AND COMMITMENTS

There are no material changes or commitments, effecting the financial position of the Company happening between the end of the Financial Year of the Company and date of this Report.

9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The requisite information has been given by way of an **Annexure I** to this Report

10. CHANGES HAPPENING DURING THE FINANCIAL YEAR

Your Directors wish to inform that there have not been any changes during the Financial Year under review:

- a. In the nature of Company's business
- b. Generally in the class of business in which the Company has an interest Further, the Company has no Subsidiary and therefore information regarding any change in subsidiaries or in the nature of business carried on by them is not applicable to the Company.

11. BUSINESS RESPONSIBILITY REPORT

Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is not applicable to the Company.

12. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received and taken on record declaration received from the Independent Directors of the Company in accordance to Section 149(6) of the Company Act, 2013 confirming their independence vis-à-vis the Company.

13. POLICY ON DIRECTORS APPOINTMENT AND POLICY ON REMUNERATION

Pursuant to the requirement under Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the policy on appointment of Board members including criteria for determining qualifications, positive attributes, independence of a Director and the policy on remuneration of Directors, KMP and other employees is attached as **Annexure II**, which forms part of this report.

14. PARTICULARS OF REMUNERATION OF DIRECTORS/ KMP/EMPLOYEES

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there are no employees falling in the bracket as defined in Rule 5 (2) Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure III** which forms part of this report.

15. NUMBER OF MEETINGS OF BOARD

During the year 2021-22, 15 Fifteen Board Meetings were held and 1 (One) Independent Directors meeting was held on 09.05.2021 as required under Schedule IV of Companies Act and as per Regulation 17 of the Listing Regulations, 2015. The dates on which the Board Meetings were held are 10-04-2021, 07-06-2021, 03-07-2021, 09-07-2021, 14-07-2021, 28-07-2021, 05-08-2021, 13-08-2021, 28-08-2021, 06-09-2021, 08-09-2021, 04-10-2021, 12-11-2021, 26-11-2021, 11-02-2022

16. STATUTORY AUDITORS & AUDITORS REPORT

In pursuant to the provisions of Section 139 ,142 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s Chowdary and Rao, Chartered Accountants (ICAI Firm Registration No. 000656S), were appointed as the Statutory Auditors of the Company in the last Annual General Meeting for the term of five years commencing from the company's financial year 01st April, 2019 to hold the office from the conclusion of 36th Annual General Meeting of the Company till the conclusion of 41st Annual General meeting to be held in 2024 at such remuneration plus service tax, out-of-pocket, traveling and living expenses, etc., as may be mutually agreed between the Board of the Directors of the Company and the Auditors.”

The Company has obtained a Certificate from the Auditors under Rule 4 (1) of The Companies (Audit and Auditors) Rules, 2014. They have also issued a Certificate to the effect that they satisfy the criteria provided in Section 141 of the Companies Act, 2013. The Auditors have also confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the Peer Review Board of the ICAI. The Auditors' Report being self-explanatory require no comments from the Directors

The financial statements of K&R Rail Engineering Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information, has certain balances standing to the debit/credit of sundry creditors, sundry debtors, advances, various parties' accounts, and GST accounts which are subject to confirmation and reconciliation. We have relied solely on management confirmation for the same. Further, there are no reservations, qualifications or adverse remarks in the Audit Report given by them in respect of the Financial Year 2021-22

17. SECRETARIAL AUDITORS AND THEIR REPORT

M/s Dabas S & Co. (COP No. 24418), was appointed as Secretarial Auditor of the Company for the financial year 2021-22 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by him in the prescribed form MR- 3 is attached as **Annexure IV** and forms part of this report.

There are no qualifications or observations or other remarks of the Secretarial Auditors in the Report issued by them for the financial year 2021-22 which call for any explanation from the Board of Directors.

18. FRAUDS REPORTED BY AUDITORS

There are no frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government.

19. COST AUDIT

As per the Cost Audit Orders, Cost Audit is not applicable to the Company.

20. CONSOLIDATED FINANCIAL STATEMENTS

In terms of Rule 6 of Companies (Accounts) Rules, 2014, nothing contained in the said rule shall, subject to any other law or regulation, apply for the financial year commencing from the 1st day of April, 2021 and ending on the 31st March, 2022, in case of a company which does not have a subsidiary or subsidiaries but has one or more associate companies or joint ventures or both, for the consolidation of financial statement in respect of associate companies or joint ventures or both, as the case may be. As the Company does not have any Subsidiary, the accounts have not been consolidated for the FY2021-22.

21. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY.

According to Section 134(5)(e) of the Companies Act, 2013 the term Internal Financial Control (IFC) means the policies and procedures adopted by the company 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.

The Company has a well-placed, proper and adequate internal financial control system, commensurate with the size, scale and complexity of its operations. The scope and authority of the internal Audit function is well defined in the Organization. The internal financial control system ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly. The Company's internal financial control system also comprises due compliances with Company's policies and Standard Operating Procedures (SOPs) and audit and compliance by in-house Internal Audit Division, supplemented by Concurrent and Statutory Audit. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by regular supervision of the Audit Committee over Internal Audit. Significant audit observations and corrective actions suggested are presented to the Audit Committee of the Board.

22. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT

The Company has in place comprehensive risk assessment and minimization procedures, which are reviewed by the Board periodically. During the year, as per the requirements the Board of Directors with responsibility of preparation of Risk Management Policy, reviewing and monitoring the same on regular basis, to identify and review critical risks on regular basis, to update the Risk management on quarterly basis, to report key changes in critical risks to the Board on an ongoing basis, to report critical risks to Audit Committee in detail on yearly basis and such other functions as may be prescribed by the Board.. The risks faced by the Company and their minimization procedures are assessed categorically under the broad heads of High, Medium and Low risks. Further, the Company identifies risks, and control systems are instituted to ensure that the risks in each business process are mitigated. The Board provides oversight and reviews the Risk Management Policy on a regular basis. In the opinion of the Board there has been no identification of elements of risk that may threaten the existence of the Company.

23. SUBSIDIARIES/ASSOCIATES/JOINT VENTURES

The Company has no subsidiaries or Associates as defined in the Companies Act, 2013.

24. DEPOSITS

The Company has neither accepted nor renewed any deposits during the Financial Year 2021-22 in terms of Chapter V of the Companies Act, 2013. Information in this regard, therefore, is nil.

25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Company has not received any significant or material orders passed by any Regulatory Authority, Court or Tribunal which shall impact the going concern status and Company's operations in future.

26. CODE OF CONDUCT

The Company continues to place emphasis on inclusive growth and has adopted a voluntary code of conduct for affirmative action.

27. AUDIT COMMITTEE

Your Directors wish to inform that in Compliance with Section 177 of the Companies Act, 2013 and Regulation 18 Of SEBI Listing Regulation 2015, an audit committee has been duly constituted. The Audit Committee as on March 31, 2022 comprises of the following Independent Directors

Mrs. Maniza Khan	Independent Director, Chairman
Mr. Ramakrishna Chebiam	Additional Director (Independent Director- Non Executive), Member
Mr. Rabindra Kumar Barik	Non-Executive Director, Member

Details of the Audit Committee have been separately given in the corporate governance report. Further, all recommendations of Audit Committee were accepted by the Board of Directors.

28. NOMINATION & REMUNERATION COMMITTEE, STAKEHOLDERS RELATIONSHIP COMMITTEE

In terms of Regulation 19 of SEBI Listing Regulation 2015 and pursuant to the provisions of Companies Act, 2013, the details pertaining to Nomination & Remuneration Committee. The Nomination & Remuneration Committee as on March 31, 2022 comprises of the following Directors:

Mrs. Maniza Khan	Independent Director, Member
Mr. Ramakrishna Chebiyam	Additional Director (Independent Director- Non Executive), Member
Mr. Rabindra Kumar Barik	Non-Executive Director, Member

The details of Remuneration Policy and the Committee are furnished in the Report on Corporate Governance, which is annexed herewith.

29. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In terms of Section 135 of the Companies Act, 2013, the Company doesn't fall under the requirements of CSR. So there was no CSR Committee.

30. CHANGE IN CAPITAL STRUCTURE AND LISTING OF SHARES

During the year under review the Company has issued Equity Share Capital of Rs. 15,780,1050 and Preference Share Capital of Rs.14,114,5560, 7% Optionally Convertible Redeemable Preference Shares of Rs. 10/- each.

The company has listed 1,57,79,755 equity shares with BSE stock exchange

31. EXTRACT OF ANNUAL RETURN

The extract of Annual Return as on March 31st, 2022 in the prescribed Form No. MGT-9, pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is attached herewith as **Annexure V** and forms part of this Report.

32. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Pursuant to Section 134(3)(g) of the Companies Act, 2013 particulars of loans, guarantees or investments under Section 186 of the Act as at end of the Financial Year 2021-22 forms part of this report.

33. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188(1) OF THE COMPANIES ACT, 2013

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were in the ordinary course of business and on an arm's length basis. Hence, provisions of Section 18 (1) are not applicable. However, as these transactions were in the ordinary course of business and on an arm's length basis, in the opinion of the Board these transactions are justified to be executed.

During the year, the Company had not entered into any contract or arrangement with related parties which could be considered 'material' according to the policy of the Company on Materiality of Related Party

Transactions. Your attention is drawn to the Related Party disclosures set out in Note no. 34 of the Financial Statements

34. VIGIL MECHANISM

The Company has established a Vigil Mechanism in terms of Section 177 (10) of the Companies Act, 2013 and also in terms of Regulation 22 of SEBI Listing Regulations, 2015. The detail of the Vigil Mechanism is given in the Corporate Governance Section, which is annexed herewith at **Annexure-VI** the Vigil Mechanism cum Whistle Blower Policy is also available on the Company's website **krailengg.com**.

35. DIRECTOR'S RESPONSIBILITY STATEMENT

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had 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 at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

36. INDUSTRIAL RELATIONSHIPS

Relations between the Management and the employees at all levels have been cordial and the Directors wish to express their appreciation for the cooperation and dedication of the employees of the Company.

37. COMPLIANCE

The company has devised proper systems to ensure compliance of all laws applicable to the company and the compliance reports issued by the Departmental Heads are placed before the Board every Quarter confirming compliance by the Company with all applicable Laws.

38. LISTING AND LISTING AGREEMENT

The equity shares of the company are listed at BSE with the sole intent of providing liquidity to the existing Shareholders
The company has already paid listing fees for the year 2022-23 to BSE Limited.

39. DEMATERIALIZATION OF SHARES

As mentioned in Company's earlier Annual Reports, the Company's equity shares are in compulsory Demat mode in terms of SEBI Guidelines. This has been facilitated through arrangement with NSDL and CDSL. M/S Aarthi Consultants Pvt. Ltd is acting as the Registrar and Share Transfer Agents for this purpose and acts as common share agency in terms of SEBI Guidelines.

40. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

41. FINANCIAL STATEMENTS

Full version of the Annual Report 2021-22 containing complete Balance Sheet, Statement of Profit & Loss, other statements and notes thereto, prepared as per the requirements of Schedule III to the Companies Act, 2013, Directors' Report (including Management Discussion and Analysis, Corporate Governance Report and Business Responsibility Report) are being sent via email to all shareholders who have provided their email address (es). Full version of Annual Report 2021-22 is also available for inspection at the registered office of the Company during working hours up to the date of ensuing Annual General Meeting (AGM). It is also available at the Company's website www.axisrailindia.com. Please note that you will be entitled to be furnished, free of cost, the full Annual Report 2021-22, upon receipt of written request from you, as a member of the Company

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed of during the year 2021-22.

No. of Complaints received: Nil

No. of Complaints disposed of: Nil:

43. ACKNOWLEDGEMENT

The Directors sincerely acknowledge the trust and confidence that has been placed by the employees, shareholders and investors in the Company. The Directors are thankful to all the employees and the officers of the Company, for their dedication, support and co-operation.

The Directors also thank the Government of India, Governments of various states in India, Governments of various countries and concerned Government departments and agencies for their co-operation.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

The Directors appreciate and value the contribution made by every member of the K&R Rail Engineering Limited family.

Date: 01.11.2022
Place: Hyderabad

By order of the Board of Directors
For K&R Rail Engineering Limited
(Formerly known as AXIS RAIL INDIA LIMITED)
Sd/-
Maniza Khan
Chairperson

44. ANNEXURE I TO THE DIRECTORS' REPORT:-

A. Conservation of Energy:

Though energy does not form a significant portion of the cost for the Company yet wherever possible and feasible, continuous efforts are being put for conservation of energy and minimize power cost. The Energy conservation measures include replacement of incandescent lights with low power consuming LRD lights, compact Fluorescent and IT Lights, replacement of old electrical units with new energy efficient units. Staff of the Company is regularly sensitized about conservation of power

B. Technology Absorption:

The Company continues to absorb and upgrade modern technologies in its operations and back end support functions like Accounts, Human Resource Management and Compliance functions.

C. Foreign exchange earnings and outgo:

There are no foreign currency dealing in the Company.

Date: 01.11.2022
Place: Hyderabad

By order of the Board of Directors
For K&R Rail Engineering Limited
(Formerly known as AXIS RAIL INDIA LIMITED)
Sd/-
Maniza Khan
Chairperson

45. ANNEXURE -II TO THE DIRECTOR'S REPORT

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

46. ROLE OF COMMITTEE

45.1 Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall:

45.1.1 Formulate the criteria for determining qualifications, positive attributes and independence of a director.

45.1.2 Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.

45.1.3 Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

45.2 Policy for appointment and removal of Director, KMP and Senior Management

45.2.1 Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level in line with the Business of the Company and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

45.2.2 Term / Tenure

- a) **Managing Director/Whole-time Director:**
The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b) **Independent Director:**
 - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
 - No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2021 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.
 - At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

45.2.3 Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly) on the basis of following criteria:-

- a. **Criteria for evaluation of the Board of Directors as a whole:**
 - i. The Frequency of Meetings.
 - ii. Quantum of Agenda
 - iii. Administration of Meetings
 - iv. Flow and quantity of Information from the Management to the Board
 - v. Number of Committees and their role.
 - vi. Overall performance of the Company
- b. **Criteria for evaluation of the Individual Directors;**
 - i. Experience and ability to contribute to the decision making process
 - ii. Problem solving approach and guidance to the Management
 - iii. Attendance and Participation in the Meetings
 - iv. Personal competencies and contribution to strategy formulation

v. Contribution towards statutory compliances, monitoring of controls and Corporate Governance

45.2.4 Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

45.2.5 Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

46. MEMBERSHIP OF COMMITTEE

46.1 The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.

46.2 Minimum two (2) members shall constitute a quorum for the Committee meetings.

46.3 Membership of the Committee shall be disclosed in the Annual Report.

46.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

47. CHAIRPERSON

47.1 Chairperson of the Committee shall be an Independent Director.

47.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee

47.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

47.4 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries

48. FREQUENCY OF MEETINGS

48.1 The meeting of the Committee shall be held at such regular intervals as may be required.

49. COMMITTEE MEMBERS' INTERESTS

49.1 The disclosure of Interest and participation in the meetings by a member of the Committee shall be as per the provisions of the Act and Rules made thereunder from time to time.

49.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee

50. VOTING

50.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

50.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote

51. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

Date: 01.11.2022
Place: Hyderabad

By order of the Board of Directors
For K&R Rail Engineering Limited
(Formerly known as AXIS RAIL INDIA LIMITED)
Sd/-
Maniza Khan
Chairperson

52. ANNEXURE III

POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

General:

- a.) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b.) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- c.) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
- d.) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

1) Remuneration to Managing Director / Whole-time Directors:

- I. The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

II. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

III. Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

2) Remuneration to Non- Executive / Independent Directors

- a. The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b. All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c. An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share-based payment schemes of the Company.
- d. Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - ii. The Services are rendered by such Director in his capacity as the professional; and
 - ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession
- e. The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).

3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall be in compliance with the applicable provisions of the Companies Act, 2013 and in accordance with the Company's Policy
- b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share-based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.

- d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

53. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There had not been any penalty or punishment or compounding of offences in the Company.

1. DISCLOSURES

(i) Related Party Transactions

No material significant related party transactions have taken place during the year under review that may have potential conflict with the interests of the Company at large. Further, details of related party transactions form part of Notes to the Accounts of the Annual Report. While entering into the above transactions, the Company had made full disclosures before the Board Meetings as well as Audit Committee Meetings and interested directors duly disclosed their interest in the said Board Meetings. The details of the Related Party Transactions, entered by the Company in the ordinary course of business at Arm's length basis are given in Financial Statements of the Company. The company has framed its Policy on dealing with Related Party Transactions and the same is available on its website krrailengg.com.

(ii) Details of Non-Compliances

There is no non-compliance by the Company and there are no penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets, during the last three years.

(iii) Whistle Blower Policy

The 'Whistle Blower Policy' cum Vigil Mechanism is in place which is reviewed by the Audit Committee on regular basis and the text of the same is given at the end of this Corporate Governance Report. No personnel has been denied access to the Audit Committee. The same is also available on the Website of the Company krrailengg.com

(iv) Disclosure of Accounting Treatment

The Financial statement of Company are prepared as per the prescribed Accounting standards and reflects true and fair view of the business transactions in the Corporate Governance.

(v) Reconciliation Of Share Capital Audit

A reconciliation of Share Capital Audit was carried out by a qualified practicing Company secretary on quarterly basis for reconciling the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued & listed capital. The audit inter alia confirms that the total issued/paid up capital is in agreement with the total number of shares held in physical form and the total number of dematerialized shares with NSDL & CDSL.

(vi) Code For Prevention Of Insider Trading

The Company has instituted a comprehensive Code of Conduct for Prevention of Insider Trading for its designated employees, in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time. Further, the Code of Fair Disclosure and Prevention of Insider Trading Code under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 have been adopted and displayed on the website of the Company krrailengg.com. These Codes lay down guidelines vide which it advises the designated employees on procedures to be followed and disclosures to be made, while dealing with the shares of the Company and caution them of the consequences of violations.

(vii) Material Subsidiaries

The Company does not have any material subsidiary as defined under Regulation 2 of SEBI Listing Regulations, 2015. In fact, the Company has no subsidiary Company.

(viii) Disclosure Regarding Appointment Or Re-appointment Of Directors

Sukesh Kumar Sharma was appointed as the Additional Director of the Company on 04th October, 2021, Mirza Mohammed Baig was appointed as the Additional Director of the Company on 15th June, 2022 and Suresh Solanki was appointed as the Additional Director of the Company on 22nd August, 2022 and to hold office up to the date of this Annual General meeting be and being eligible they have offered themselves for appointment as the Directors of the Company.

Mr. Rabindra Kumar Barik whose Designation was changed to Director (Independent Non-Executive) of the Company on 15th June, 2022 to comply with Regulation 17 (1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to hold office up to the date of this Annual General Meeting be and being eligible they have offered themselves for appointment as the Independent Directors of the Company

(ix) Code of Conduct

- (i) The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The copy of Code of Conduct as applicable to the Directors (including Senior Management of the Company) is uploaded on the website of the Company www.axisrailindia.com
- (ii) The Members of the Board of Directors and Senior Management personnel have affirmed compliance with the Code applicable to them during the year ended March 31, 2022. The Annual Report of the Company contains a Certificate duly signed by the CEO in this regard.

(x) Board Disclosures - Risk Management

The Company manages risks as an integral part of its decision making process. The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Audit Committee and the Board of Directors review these procedures periodically

(xi) Proceeds from public issues, rights issues, preferential issues, etc.

During the year under review, no money has been raised by the Company by way of Public Issues, Rights Issues, Preferential Issues Etc.

2. MEANS OF COMMUNICATIONS

a) **Quarterly Results :**

The Quarterly, Half yearly and Annual Results of the Company are sent to BSE LIMITED in accordance with the Listing Regulations. The said Results are normally published in Business Standard (English) and Mega Jyothi (Telegu) and also displayed on Company's website **krailengg.com**.

b) **Presentations to the Institutional Investors or to the Analysts:**

No presentations have been made to institutional investors or to the analysts during the year under review.

c) **BSE Corporate Compliance and Listing Centre:**

All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Quarterly Results etc. are filed electronically with the Listing Centre of BSE.

ANNEXURE- III

[Pursuant to Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. The ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the financial year and;
2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, or Manager, if any, in the financial year:

Name	Category / Designation	Ratio to Median	% increase in Remuneration
Amit Bansal	CEO	NO change	No change
Maniza Khan	Director	NO change	No change
Sukesh Kumar Sharma	Director	NO change	No change
Sanjay Kotthapalli	Director	NO change	No change
Rabindra Kumar Barik	Director	NO change	No change
Ramakrishna Chebiyam	Additional Director	NO change	No change
Kulkarni Prahallada Rao	CFO	NO change	No change
Yavanika Singh	Company Secretary cum Compliance Officer	NO change	No change

3. The percentage increase in the median remuneration of employees in the financial year: No Change
4. The number of permanent employees on the rolls of Company as at reporting date:
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: No Change
6. Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.

[Pursuant to Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

None of the employees' remuneration exceeds the limit specified under Rules 5(2) of the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014.

ANNEXURE-IV

Form No. MR-3 SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2022
{Pursuant to Section 204(1) of the Companies Act, 2013 and
rule 9 of the Companies (Appointment and Remuneration
of Managerial Personnel) Rules, 2014}

To,
The Members,
K&R RAIL ENGINEERING LIMITED

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **K&R RAIL ENGINEERING LIMITED** (hereinafter called K&R RAIL/ the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the K&R RAIL books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial period ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **K&R RAIL ENGINEERING LIMITED** (“the Company”) for the financial year ended on 31st March, 2022 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **N.A**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011; **(Not Applicable to the Company during the Audit Period;)**
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
 - d. Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015
 - e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not Applicable to the Company during the Audit Period;)**
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period;)**
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, and dealing with client;

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (**Not Applicable to the Company during the Audit Period;**) and

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (**Not Applicable to the Company during the Audit Period;**).

(vi) Compliances/ processes/ systems under other applicable Laws to the Company are being verified on the basis of periodic certificate submitted to the Board of Directors of the Company.

I have also examined compliance with the applicable clauses of the following:

a. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

b. The Listing Agreements entered into by the Company with Stock Exchange read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

Observations:

I report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through were captured and recorded as part of the minutes of the meeting.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and Company is in process of reviewing & strengthening the same.

Date: 23/05/2022

Place: New Delhi

**For Dabas S & Co.
(Company Secretaries)**

Sd/-

Sanjeev Dabas

M. No: A65138, COP: 24418

Peer Review Certificate No: 2098/2022

UDIN: A065138D000367902

This report is to be read with our letter of even date which is annexed as “**Annexure A**” and forms an integral part of this report.

To,
The Members,
K&R RAIL ENGINEERING LIMITED

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records, registers is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 23/05/2022

Place: New Delhi

For Dabas S & Co.
(Company Secretaries)
Sd/-
Sanjeev Dabas
M. No: A65138, COP: 24418

ANNEXURE-V

**FORM NO. MGT - 9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON 31.03.2022**

[PURSUANT TO SECTION 92 (3) OF THE COMPANIES ACT, 2013 AND RULE 12(1) OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	CIN	L45200TG1983PLC082576
2	RegistrationDate	30/08/1983
3	NameoftheCompany	K&R RAIL ENGINEERING LIMITED(Formerly known as AXIS RAIL INDIA LIMITED)
4	Category/Sub-CategoryoftheCompany	Public Company limited by Shares
5	AddressoftheRegisteredofficeandcontactdetails	12-5-34 & 35/1 Vijapuri, South LalagudaSecunderabad AP 500017
6	Whetherlistedcompany	Yes
7	Name, Address and Contact details of Registrar and TransferAgent,if any	AARTHI CONSULTANTS PVT. LTD 1-2-285, DOMALGUDA, HYDERABAD – 500 029 Phone: 040-27638111, 27634445 Email: info@aarthiconsultants.com

PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total Turnover of the Company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Contract of Railway Tracks for Private Sectors		100

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
			NOT APPLICABLE		

SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1 April 2021)				No. of Shares held at the end of the year (As on 31 March 2022)				% change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoter									
(1) Indian									
a) Individual/ HUF	5113365	-	5113365	32.41%	5113365	-	5113365	32.41%	0.00%
b) Central Govt		-	-	0.00%		-	-	0.00%	0.00%
c) State Govt(s)		-	-	0.00%		-	-	0.00%	0.00%
d) Bodies Corp	6703515	-	6703515	42.48%	6703515	-	6703515	42.48%	0.00%
e) Banks / FI		-	-	0.00%		-	-	0.00%	0.00%
f) Any Other		-	-	0.00%		-	-	0.00%	0.00%
	11816880	-	11816880	74.89%	11816880	-	11816880	74.89%	0.00%

Sub-total(A)(1):-									
(2)Foreign									
a)NRIs-Individuals		-	-	0.00%		-	-	0.00%	0.00%
b)Other-Individuals		-	-	0.00%		-	-	0.00%	0.00%
c)Bodies Corp.		-	-	0.00%		-	-	0.00%	0.00%
Banks / FI		-	-	0.00%		-	-	0.00%	0.00%
d)Any Other....		-	-	0.00%		-	-	0.00%	0.00%
Sub-total(A)(2):-		-	-	0.00%		-	-	0.00%	0.00%
TOTAL (A)	11816880	-	11816880	74.89%	11816880	-	11816880	74.89%	0.00%
B.Public Shareholding									
1.Institutions									
a)Mutual Funds		-	-	0.00%		-	-	0.00%	0.00%
b)Banks / FI		-	-	0.00%		-	-	0.00%	0.00%
c)Central Govt		-	-	0.00%		-	-	0.00%	0.00%
d)State Govt(s)		-	-	0.00%		-	-	0.00%	0.00%
e)Venture Capital Funds		-	-	0.00%		-	-	0.00%	0.00%
f)Insurance Companies		-	-	0.00%		-	-	0.00%	0.00%
g)FIIs		-	-	0.00%		-	-	0.00%	0.00%
h)Foreign Venture		-	-	0.00%		-	-	0.00%	0.00%

Capital Funds									
i)Others (specify)		-	-	0.00%		-	-	0.00%	0.00%
Sub-total(B)(1)		-	-	0.00%		-	-	0.00%	0.00%
2. Non Institutions									
A)Bodies Corp.									
(i) Indian	6193	27250	33443	0.21 %	6189	27250	33439	0.21%	0.00%
(ii) Overseas	-	-	0.00%	0.00%	-	-	0.00%	0.00%	
B)Individual s									
(i) Individual shareholders holding nominal share capital uptoRs. 2 lakh	308744	550975	859719	5.44 %	380350	545925	926275	5.87%	0.43%
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	2978542	60400	3038942	19.25 %	2861769	60400	2922169	18.52%	(0.73%)

c)Others(Specify)	19197	0	19197	0.13	75053	0	75053	0.25	0.12
Individual HUF									
NRI Repatriable and Non Repatriable	1118	0	1118	0.007	4243	0	4243	0.03	.0023
Other - Clearing Member	10806	0	10806	0.06	2046	0	2046	0.01	(0.05)
Sub-total(B)(2)	3324600	638625	3963225	25.12 %	3329650	633575	3963225	25.12%	0
TotalPublicShareholding (B)=(B)(1)+(B)(2)	3324600	638625	3963225	25.12 %	3329650	633575	3963225	25.12%	0
C.Shareheldby CustodianforGDRs&ADRs		-	-	0.00%		-	-	0.00%	0.00%
<i>GrandTotal (A+B+C)</i>	15141480	638625	15780105	100	15146530	633575	15780105	100	

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding 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 / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	AjazFarooqi	3868365	24.51%	-	3868365	24.51%	-	0.00%
2.	AsmaFarooqi	1245000	7.89%	-	1245000	7.89%	-	0.00%

iii. Change in Promoters' Shareholding (please specify, if there is no change): NO CHANGE

Sr. 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.	NAME	Ajaz Farooqi			
	At the beginning of the year	0	0	0	0.00%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0.00%
	At the End of the year	0	0	0	0.00%
2.	NAME	Asma Farooqi			
	At the beginning of the year	0	0	0	0.00%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase-/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0.00%
	At the End of the year	0	0	0	0.00%

iv. Shareholding of Directors and Key Managerial Personnel:

Sr. 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	0	0%	0	0%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the END of the year	0	0	0	0

INDEBTEDNESS

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

In lacs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	626.79	-	-	626.79
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not	-	-	-	-
Total(i+ii+iii)	626.79	-	-	626.79
Change in Indebtedness during the financial year				
- Addition	687.48	-	-	687.48
- Reduction	-	-	-	-
Net Change	687.48	-	-	687.48
Indebtedness at the end of the financial year				

i) Principal Amount	1314.27	-	-	1314.27
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1314.27	-	-	1314.27

II. 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 Amount
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 (SITTING FEE PER MEETING)		
6.	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of MD /WTD/ Manager	Total Amount
	<u>Independent Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	Rs. 5000/meeting sitting fees	Rs. 95000/-
	<u>EXECUTIVE DIRECTOR</u>	0	0

	Fee for attending board committee meetings ·Commission ·Others,pleasespecify		
	Total(1)	0	0
	<u>Other Non-Executive Directors</u> ·Fee for attending board committee meetings ·Commission ·Salary	0	0
	Total(2)	0	0
	Total(B)=(1+2)	0	0
	Total Managerial Remuneration	0	0
	Overall Ceiling as per the Act	0	0

C.Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

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	24,00,000	1,20,000	-	<u>25,20,000</u>
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	Total	24,00,000	1,20,000	-	25,20,000

CORPORATE GOVERNANCE REPORT

1. Our corporate governance philosophy

Corporate governance is most often viewed as both the structure and the relationships which determine corporate direction and performance. The board of directors is typically central to corporate governance. Its relationship to the other primary participants, typically shareholders and management, is critical. Additional participants include employees, customers, suppliers, and creditors.

- James McRitchie

The Company has complied with all the applicable code provisions in the Corporate Governance Code set out in Schedule II of the Listing Regulation 2015.

Corporate governance guidelines

The Board has developed corporate governance guidelines to help fulfill our corporate responsibility towards our stakeholders. These guidelines ensure that the Board will have the necessary authority and processes to review and evaluate our operations when required. Further, these guidelines allow the Board to make decisions that are independent of the Management. The Board may change these guidelines regularly to achieve our stated objectives.

2. Board composition

Size and composition of the Board

We believe that our Board needs to have an appropriate mix of executive and independent directors to maintain its independence, and separate its functions of governance and management. Listing regulations mandate that for a company with a non-executive chairman, at least one-third of the board should be independent directors. On March 31, 2022, our Board consists of EIGHT members, of whom two are independent directors Including one Women director, one non independent non-executive director, one CEO one CFO One Company Secretary Cum Compliance Officer, remaining all are executive directors. The Board periodically evaluates the need for change in its composition and size.

Board Meetings

The Board meets regularly at least four times a year at quarterly intervals and holds additional meetings as and when the Board thinks appropriate.

Nineteen Board meetings were held during FY 2021-22. Notice of not less than 14 days was given to directors for the regular Board meetings. Draft agenda for Board meetings were prepared by the Company Secretary and were circulated to all directors for comments before each meeting. Directors were given an opportunity to include any other matters in the agenda. The agenda, together with Board papers, were sent in full to the directors not less than three business days before the intended date of the Board meeting.

Minutes of Board meetings were prepared by the Company Secretary with details of decisions reached, any concerns raised and dissenting views expressed. The draft minutes were sent to all directors within a reasonable time after each meeting for their comment before being formally signed by the chairman of the meeting. Copies of the final version of minutes of the Board meetings were sent to the directors for information and record.

At each regular Board meeting, executive directors of the Company made presentations to the Board on various aspects, including the business performance, financial performance, corporate governance and outlook, etc. A written report reviewing all the key operational aspects of the Group was provided to the directors before each regular Board meeting to enable them to make informed decisions for the benefit of the Company.

Throughout FY2021-22, directors of the Company also participated in the consideration and approval of matters of the Company by way of written resolutions circulated to them. Supporting written materials

were provided in the circulation and verbal briefings were given by the subject executive directors or the Company Secretary when required.

Pursuant to the bye-laws of the Company, a director, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first considered. Furthermore, a director shall not vote (nor be counted in the quorum) on any resolution of the directors in respect of any contract or arrangement or proposal in which he or any of his associate(s) is to his knowledge materially interested. Matters to be decided at Board meetings are decided by a majority of votes from directors allowed to vote. These bye-laws were strictly observed throughout FY 2021-22

Directors of the Company play an active role in participating the Company's meetings through contribution of their professional opinions and active participation in discussion. The attendance record of each of the directors for the Board meetings, the board committees' meetings and the general meeting held during FY 2021-22 is listed as follows:

Meetings attended/held					
Name of director	Board meeting	Audit Committee meeting	Nomination and Remuneration Committee meeting	Stakeholders Relationship Committee meeting	General meeting
Executive Director					
Amit Bansal	15/15	NIL	NIL	NIL	1
SYED AZHARUDDIN SUFI QUADRI	11/15	0	0	0	1
SANJAY KOTTHAPALLI	15/15	0	0	0	1
Independent Non-executive directors					
Maniza Khan	15/15	4/4	3/3	5/5	1
Tamada Srinivas Reddy	13/15	3/4	3/3	NA	1
Ramakrishna Chebiyam	2/15	1/4	NA	5/5	NA
Non Independent non-executive directors:	15/15	4/4	3/3	5/5	1

RABINDRA KUMAR BARIK					
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3. CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all Board members, and all employees, including the senior management of the Company. All the Directors and senior management have affirmed compliance with the Code of Conduct as approved and adopted by the Board of Directors and a declaration to this effect signed by the Managing Director has been annexed to the Corporate Governance Report.

4. AUDIT COMMITTEE

The Audit Committee of the Company presently comprises of 2 independent Directors and One Non Independent non-executive Directors viz. Mrs. Maniza Khan Mr. Mirza Mohammed Baig, and Mr. Rabindra Kumar Barik . Mrs.Maniza Khan is the Chairman of the Committee. The constitution of Audit Committee meets with the requirements as laid down under Section 177 of the Companies Act, 2013 and also of Regulation 18 of the Listing Regulations, 2015. Ms. Latha Pamula, the Company Secretary of the Company is the Secretary of the Audit Committee.

The terms of reference of the Audit Committee inter alia include: overseeing the Company’s financial reporting process, reviewing the quarterly/ half yearly/ annual financial statements, reviewing with the management the financial statements and adequacy of internal audit function, management letters issued by the statutory auditor, recommending the appointment/re-appointment of statutory auditors and fixation of audit fees, reviewing the significant internal audit findings/ related party transactions, reviewing the Management Discussion and Analysis of financial condition and result of operations, scrutiny of inter corporate loans, review of internal financial control and risk management, review functioning of Whistle Blower/Vigil Mechanism, approval of appointment of CFO, and also statutory compliance issues, etc.

The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company

Executives from the Finance Department, representatives of the Statutory Auditors and Internal Auditors are also invited to attend the Audit Committee Meetings, whenever necessary.

The Committee has discussed with the Statutory and Internal auditors about their audit methodology, audit planning and significant observations/ suggestions made by them

In addition, the Committee has discharged such other role/ function as envisaged under Regulation 18 of the Listing Regulations, 2015 and the provisions of Section 177 of the Companies Act, 2013.

Four Audit Committee Meetings were held during the year ended 31st March, 2022. The dates on which the Meetings were held are as follows

09th July, 2021, 13th August, 2021, 12th November, 2021 and 11th February, 2022.

5. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee presently comprises of three Directors viz. Mrs. Maniza Khan, Mr. Mirza Mohammed Baig, and Mr. Rabindra Kumar Barik. Mr. Rabindra Kumar Barik is the Chairman of the Committee. The constitution of the Nomination and Remuneration Committee meets with the requirements of Section 178 of the Companies Act, 2013 as also the requirements laid down in Regulation 19 of the Listing Regulations, 2015. Ms. Latha Pamula, the Company Secretary of the Company is the Secretary of the Committee.

The terms of reference of the Nomination and Remuneration Committee inter alia include; to determine the Company's policy on specific remuneration packages for executive directors, to review, recommend and/or approve remuneration to Whole-time Directors, to review and approve the Remuneration Policy of the Company, to formulate criteria for evaluation of Independent Directors and the Board, to devise a policy on Board Diversity, to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board the appointment or removal of such persons and to discharge such other functions and exercise such other powers as may be delegated/ directed by the Board of Directors from time to time. Further details on evaluation of performance of the Board, its Committees and Individual Directors, is provided in the Board's Report.

The key highlights of the Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company which has been approved by the Nomination and Remuneration Committee and the Board of Directors are as follows

- A. Guiding Principles for remuneration: The Company shall remunerate all its personnel reasonably and sufficiently as per industry benchmarks and standards. The remuneration shall be commensurate to retain and motivate the human resources of the Company. The compensation package will, inter alia, take into account the experience of the personnel, the knowledge and skill required including complexity of the job, work duration and risks associated with the work, and attitude of the worker like positive outlook, team workloyalty etc.
- B. Components of Remuneration: The following will be the various remuneration components which may be paid to the personnel of the Company based on the designation and class of the personnel
 - a. Fixed compensation: The fixed salaries of the Company's personnel shall be competitive and based on the individual personnel's responsibilities and performance.
 - b. Variable compensation: The personnel of the Company may be paid remuneration by way of variable salaries based on their performance evaluation. Such variable salaries should be based on the performance of the individual against his short and long term performance objectives and the performance of the Company.
 - c. Share based payments: The Board may, on the recommendation of the Nomination and Remuneration Committee, issue to certain class of personnel a share and share price related incentive program.
 - d. Non-monetary benefits: Senior management personnel of the Company may, on a case to case basis, be awarded customary non-monetary benefits such as discounted salary advance / credit facility, rent free accommodation, Company cars with or without chauffer's, share and share price related incentive, reimbursement of electricity and telephone bills etc.
 - e. Gratuity/group insurance: Personnel may also be awarded to group insurance and other key man insurance protection. Further as required by the law necessary gratuity shall be paid to the personnel
 - f. Commission: The directors may be paid commission if approved by the shareholders. The shareholders may authorise the Board to declare commission to be paid to any director of the Board.

6. REMUNERATION OF DIRECTORS

The details of Remuneration paid/payable to the Directors of the Company for the year ended 31st March, 2022 are given below:-

Name of the director	Fixed salary				Bonus / incentives	Commission
	Basic Salary	Perquisites / allowances	Retiral benefits	Total fixed salary		
Maniza Khan	Rs. 5000/meeting sitting fees				NIL	NIL

7. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee presently comprises of Mrs. Maniza Khan Mr. Mirza Mohammed Baig, and Mr. Ravindra Kumar Barik. Mrs. Maniza Khan is the Chairman of the Committee. The constitution of the Stakeholders' Relationship Committee meets with the requirements of Section 178 of the Companies Act 2013 and also of Regulation 20 of the Listing Regulations, 2015. Ms. Latha Pamula, the Company Secretary of the Company is the Secretary of the Committee.

The terms of reference of the Committee inter alia includes the following: To look into redressal of grievances of shareholders, debenture holders and other security holders of the Company, to consider and resolve grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc, to approve issue of duplicate share certificates and to oversee and review all matters connected with the transfer, transmission and issue of securities, to oversee the performance of the Registrar and Transfer Agents and recommend measures for overall improvement in the quality of investor services, to investigate any activity within its terms of reference, to seek information from share transfer agents, to obtain outside legal or other professional advice and to secure attendance of outsiders with relevant expertise, if it considers necessary and have full access to the information contained in the records of the Company. The Board has designated severally, Ms. Yavanika Singh, Company Secretary

Two Meetings of the Stakeholders' Relationship Committee was held during the year ended 31st March, 2022. The dates on which Meetings were held are 05th January, 2022, 20th January, 2022, 07th February, 2022, 23rd February, 2022, and 28th February, 2022.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C
clause (10)(i) of the SEBI (Listing Obligations
and Disclosure Requirements) Regulations, 2015)

Date: 11.06.2022

To,

The Members,
K&R Rail Engineering Limited
12-5-34 & 35/1 Vijapuri, South Lalaguda
Secunderabad TG 500017

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of K&R RAIL ENGINEERING LIMITED having CIN L45200TG1983PLC082576 and having registered office at 12-5-34 & 35/1 Vijapuri, South Lalaguda Secunderabad TG 500017 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

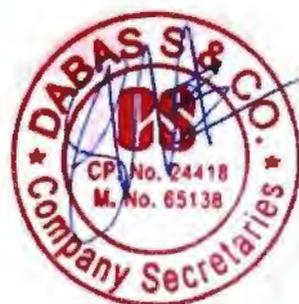


DABAS S & CO.

Company Secretaries

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. NO.	NAME OF DIRECTOR	DIN	DATE OF APPOINTMENT
1.	AMIT BANSAL	06750775	16/04/2019
2.	MANIZA KHAN	07146123	31/03/2015
3.	SUKESH KUMAR SHARMA	07956766	04/10/2021
4.	SANJAY KOTTHAPALLI	08449196	19/03/2021
5.	RABINDRA KUMAR BARIK	08773785	01/07/2020
6.	RAMAKRISHNA CHEBIYAM	09412448	26/11/2021



Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 11/06/2022

Place: New Delhi

**For Dabas S & Co.
(Company Secretaries)**



**Sanjeev Dabas
M. No: A65138, COP: 24418
Peer Review Certificate No: 2098/2022**

UDIN: A065138D000484810

1. **GENERAL SHAREHOLDER INFORMATION**

AGM : Date, time	Wednesday, the 30th day of November, 2022 at 2:00 P.M.
AGM venue	12-5-32/8, Bhatukammakunta Vijapuri, South Lallaguda Secunderabad Hyderabad TG 500017 IN
Financial year	April 1st, 2021 to March 31st, 2022
Date of Book closure	24-11-2022 to 30-11-2022 (both days inclusive)
Dividend Payment Date	N/A
Listing on Stock Exchanges	BSE LIMITED
ISIN	INE 078 T 01026
Scrip Code	514360
Registrar and Transfer Agents	AARTHI CONSULTANTS PVT. LTD 1-2-285, DOMALGUDA, HYDERABAD – 500 029 Phone: 040-27638111, 27634445 Email: info@arthiconsultants.com
Share Transfer System	To expedite the share transfer process, the process is undertaken by Common Registry Aarthi Consultants Pvt. Ltd. Share Transfers are processed and approved by them and taken note of by Share Transfer Committee, i.e. Stakeholders' Relationship Committee. The said Committee of the Company meets on regular basis to review the work of Transfer, transmission and issue of duplicate share certificates etc. The shares of the Company are traded in dematerialized form only
Dematerialization of shares and liquidity	Liquidity:- The shares of the company are in dematerialized and updated with the RTA.
Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity	14,114,556, 7% Optionally Convertible Redeemable Preference Shares of face value of Rs. 10/- each are outstanding as on the date, which are convertible into equivalent number of Equity Shares of Rs. 10/- each, The term of the OCRPS was extended to i.e., December 14, 2025.
Address for correspondence	AMIT BANSAL, 12-5-34 & 35/1, Vijapuri, South Lalaguda, Secunderabad, Telangana – 500017 Ph. 040-27000499, Fax 040-27017660 email: krailengineering@gmail.com

Shareholding Pattern as on 31st March, 2022:-

Category	No. of Shares held
Promoters	11816880
Institutional Investors	0
Mutual Funds & UTI	0
Banks, Financial Institutions and	0
NII's	3848094
Others	81342
Private Corporate Bodies	33439
Indian Public	0
NRIs/OCBs	0
Trust	0

ANNEXURE -VI

VIGILMECHANISM CUM WHISLTE BLOWER POLICY

1. PREAMBLE

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, Legality, integrity and ethical behavior. Any actual or potential violation of the same, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations cannot be undermined. Accordingly, this Vigil Mechanism has been formulated with a view to provide a mechanism for employees of the Company to raise concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

Corporate Governance of SEBI Listing Regulation, 2015 between the Company and Bombay Stock Exchange, inter alia, provides for a non-mandatory requirement to establish a mechanism called 'Whistle Blower Policy' for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the company's code of conduct or ethics policy.

Section 177 of the Companies Act, 2013 also provides that the Company shall establish a Vigil Mechanism for Directors and Employees to report genuine concerns. This Vigil Mechanism is meant to serve the purpose of Section 177 of the Companies Act, 2013 as well as 'Whistle Blower Policy' under Listing Agreement.

2. OBJECTIVE

The Company is committed to adhere to the highest standards- of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. This policy aims to provide an avenue for employees & Directors to raise concerns of any violations of legal or regulatory requirements, unethical behavior, fraud, violation of Company's code of conduct, incorrect or misrepresentation of any financial statements and reports, etc.

3. POLICY

The Vigil Mechanism intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company. The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation. No adverse personnel action shall be taken or recommended against an employee or Director in retaliation to his disclosure in good faith of any unethical and improper practices or alleged wrongful conduct. This protects such employees or Director from unfair termination and unfair prejudicial employment practices.

However, this policy does not protect an employee from an adverse action which occurs independent of his disclosure of unethical and improper practice or alleged wrongful conduct, poor job performance, any other disciplinary action, etc. unrelated to a disclosure made pursuant to this policy.

4. SCOPE

Various stakeholders of the Company are eligible to make Protected Disclosures under the Policy. These stakeholders may fall into any of the following broad categories:

- a. Employees of the Company
- b. Directors of the Company
- c. Employees of other agencies deployed for the Company's activities, whether working from any of the Company's offices or any other location
- d. Contractors, vendors, suppliers or agencies (or any of their employees) providing any material or service to the Company.
- e. Customers of the Company
- f. Any other person having an association with the Company.

A person belonging to any of the above mentioned categories can avail of the channel provided by this Policy for raising an issue covered under this Policy.

NOTE: Policy should not be used to be a route for raising malicious or unfounded allegations against colleagues.

5. GUIDING PRINCIPLES

To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will

- i. Ensure that the Whistleblower and/or the person processing the Protected Disclosure is not victimized for doing so
- ii. Treat victimization as a serious matter, including initiating disciplinary action on such person/(s)
- iii. Ensure complete confidentiality
- iv. Not attempt to conceal evidence of the Protected Disclosure
- v. Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made
- vi. Provide an opportunity of being heard to the persons involved especially to the Subject

6. ANONYMOUS ALLEGATION

Whistleblowers must put their names to the allegations made by them because follow-up action & investigation may not be possible unless the source of the information is identified. Disclosures expressed anonymously will ordinarily not be investigated.

7. PROTECTION TO WHISTLEBLOWER

- A. If one raises a concern under this Policy, he/she will not be at risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance in any manner. Company's employee will not be at the risk of losing her/ his job or suffer loss in any other manner like transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure, as a result of reporting under this Policy. The protection is available provided that:
- i. The communication/ disclosure is made in good faith
 - ii. He/She reasonably believes that information, and any allegations contained in it, are substantially true; and
 - iii. He/She is not acting for personal gain
 - iv. Anyone who abuses the procedure (for example by maliciously raising a concern knowing it to be untrue) will be subject to disciplinary action, as will anyone who victimizes a colleague by raising a concern through this procedure. If considered appropriate or necessary, suitable legal actions may also be taken against such individuals.
- However, no action will be taken against anyone who makes an allegation in good faith, reasonably believing it to be true, even if the allegation is not subsequently confirmed by the investigation
- B. The Company will not tolerate the harassment or victimization of anyone raising a genuine concern. As a matter of general deterrence, the Company shall publicly inform employees of the penalty imposed and discipline of any person for misconduct arising from retaliation. Any investigation into allegations of potential misconduct will not influence or be influenced by any disciplinary or redundancy procedures already taking place concerning an employee reporting a matter under this policy.
- Any other Employee/business associate assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

8. ACCOUNTABILITIES – WHISTLEBLOWERS

- I. Bring to early attention of the Company any improper practice they become aware of. Although they are not required to provide proof, they must have sufficient cause for concern. Delay in reporting may lead to loss of evidence and also financial loss for the Company.
- II. Avoid anonymity when raising a concern
- III. Follow the procedures prescribed in this policy for making a Disclosure
- IV. Co-operate with investigating authorities, maintaining full confidentiality
- V. The intent of the policy is to bring genuine and serious issues to the fore and it is not intended for petty Disclosures. Malicious allegations by employees may attract disciplinary action
- VI. A whistleblower has the right to protection from retaliation. But this does not extend to immunity for involvement in the matters that are the subject of the allegations and investigation
- VII. Maintain confidentiality of the subject matter of the Disclosure and the identity of the persons involved in the alleged Malpractice. It may forewarn the Subject and important evidence is likely to be destroyed.
- VIII. In exceptional cases, where the whistleblower is not satisfied with the outcome of the investigation carried out by the Whistle Officer or the Committee, he/she can make a direct appeal to the CMD of the Company or the Audit Committee.

9. ACCOUNTABILITIES – OMBUDSMAN AND WHISTLE COMMITTEE

- i. Conduct the enquiry in a fair, unbiased manner
- ii. Ensure complete fact-finding
- iii. Maintain strict confidentiality
- iv. Decide on the outcome of the investigation, whether an improper practice has been committed and if so by whom

- v. Recommend an appropriate course of action - suggested disciplinary action, including dismissal, and preventive measures.
- vi. Minute Committee deliberations and document the final report.

10. RIGHTS OF A SUBJECT

- i. Subjects have right to be heard and the Ombudsman or the Committee must give adequate time and opportunity for the subject to communicate his/her say on the matter.
- ii. Subjects have the right to be informed of the outcome of the investigation and shall be so informed in writing by the Company after the completion of the inquiry/investigation process.

11. MANAGEMENT ACTION ON FALSE DISCLOSURES

An employee/person who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company rules, policies and procedures. Further this policy may not be used as a defense by an employee against whom an adverse personnel action has been taken independent of any disclosure of intimation by him and for legitimate reasons or cause under Company rules and policies.

12. PROCEDURE FOR REPORTING & DEALING WITH DISCLOSURES

The procedure as per Annexure will be followed.

13. ACCESS TO REPORTS AND DOCUMENTS

All reports and records associated with 'Disclosures' are considered confidential information and access will be restricted to the Whistleblower, the Whistle Committee and Ombudsman. 'Disclosures' and any resulting investigations, reports or resulting actions will generally not be disclosed to the public except as required by any legal requirements or regulations or by any corporate policy in place at that time.

14. RETENTION OF DOCUMENTS

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of 03 years from the date of conclusion of the investigation.

15. REPORTS

A quarterly status report on the total number of complaints received during the period, with summary of the findings of the Whistle Committee and the corrective actions taken will be sent to the Audit Committee as well as Board of Directors of the Company.

The contents of this Policy will be displayed by the Company on its Website and will also be included in the Directors Report.

16. COMPANY'S POWERS

The Company is entitled to amend, suspend or rescind this policy at any time. Whilst, the Company has made best efforts to define detailed procedures for implementation of this policy, there may be occasions when certain matters are not addressed or there may be ambiguity in the procedures. Such

difficulties or ambiguities will be resolved in line with the broad intent of the policy and the applicable Law. The Company may also establish further rules and procedures, from time to time, to give effect to the intent of this policy and further the objective of good corporate governance. The Audit Committee shall review the policy and its implementation on regular basis.

The above policy has been reviewed by the Audit Committee

Sd/-

(Maniza khan)

CHAIRMAN OF AUDIT COMMITTEE

31.08.2022

ANNEXURE

PROCEDURE FOR REPORTING & DEALING WITH DISCLOSURES

1. How should a Disclosure be made and to whom?

A disclosure should be made in writing. Letters can be submitted by hand delivery, courier or by post addressed to the Ombudsman appointed by the Company. Emails can be sent to the email id: krrailengineering@gmail.com

2. Is there any specific format for submitting the Disclosure?

While there is no specific format for submitting a Disclosure, the following details MUST be mentioned:

- a) Name, address and contact details of the Whistleblower (add Employee ID if the Whistleblower is an employee).
- b) Brief description of the Malpractice, giving the names of those alleged to have committed or about to commit a Malpractice. Specific details such as time and place of occurrence are also important. Documentary evidence, wherever possible, should be appended.
- c) In case of letters, the disclosure should be sealed in an envelope marked “Whistle Blower” and addressed to the Ombudsman or the Chairman, Audit Committee, depending on position of the person against whom disclosure is made.

3. What will happen after the Disclosure is submitted?

- a. The Ombudsman shall acknowledge receipt of the Disclosure as soon as practical (preferably within 04 days of receipt of a Disclosure), to the address provided by the Whistleblower
- b. The Ombudsman will proceed to determine whether the allegations (assuming them to be true only for the purpose of this determination) made in the Disclosure constitute a Malpractice by discussing with the Executive Directors and CMD of the Company (if required). If the Ombudsman determines that the allegations do not constitute a Malpractice, he/she will record this finding with reasons and communicate the same to the Whistleblower.
- c. If the Ombudsman determines that the allegations constitute a Malpractice, he/she will proceed to investigate the Disclosure with the assistance of the Whistle Committee comprising of Senior Level Officers of HR, Internal Audit, Finance and Legal. The Whistle Committee, if it deems fit can also take assistance of Head of the Department where the breach has occurred. If the alleged Malpractice is required by law to be dealt with under any other mechanism, the Ombudsman shall refer the Disclosure to the appropriate authority under such mandated mechanism and seek a report on the findings from such authority.
- d. If the Protected Disclosure has been made to the Chairman of the Audit Committee, he will proceed to investigate the matter with the help of CMD, Ombudsman or Whistle Committee or any other officer as he deems fit.
- e. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

- f. The investigation may involve study of documents and interviews with various individuals. Any person required to provide documents, access to systems and other information by the Ombudsman or Whistle Committee for the purpose of such investigation shall do so. Individuals with whom the Ombudsman or Whistle Committee requests an interview for the purposes of such investigation shall make themselves available for such interview at reasonable times and shall provide the necessary cooperation for such purpose.
- g. If the Malpractice constitutes a criminal offence, the Ombudsman will bring it to the notice of the Executive Directors & CMD and take appropriate action including reporting the matter to the police.
- h. The CMD of the Company may, at his/her discretion, participate in the investigations of any Disclosure.
- i. The Whistle Committee shall conduct such investigations in a timely manner and shall submit a written report containing the findings and recommendations to the Ombudsman as soon as practically possible and in any case, not later than 90 days from the date of receipt of the Disclosure. The Ombudsman may allow additional time for submission of the report based on the circumstances of the case.
- j. Whilst it may be difficult for the Ombudsman to keep the Whistleblower regularly updated on the progress of the investigations, he/she will keep the Whistleblower informed of the result of the investigations and its recommendations subject to any obligations of confidentiality.
- k. The Ombudsman will ensure action on the recommendations of the Whistle Committee/ Officer and keep the Whistleblower informed of the same. Though no timeframe is being specified for such action, the Company will endeavor to act as quickly as possible in cases of proved Malpractice.
- l. In case, the Whistle Blower is not satisfied with the investigation carried by the Whistle Committee, he can appeal to the Chairman of Audit Committee with all relevant details.

4. What should a Whistleblower do if he/she faces any retaliatory action or threats of retaliatory action as a result of making a Disclosure?

If anyone faces any retaliatory action or threats of retaliatory action as a result of making a Disclosure, he/she should inform the Ombudsman in writing immediately. Ombudsman will treat reports of such actions or threats as a separate Disclosure and investigate the same accordingly and may also recommend appropriate steps to protect the Whistle Blower from exposure to such retaliatory action and ensure implementation of such steps for your protection. In case, the Whistle Blower is not satisfied with the resolution given by Ombudsman, he can appeal to the Chairman of Audit Committee with all relevant details.

DECLARATION OF THE MANAGING DIRECTOR

This is to certify that the Company has laid down code of conduct for all Board Members and Senior Management of the Company and the copies of the same are uploaded on the website of the Company krrailengg.com. Further certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the code applicable to them during the year ended March 31, 2022.

Place:
SECUNDERABA
D Date:01.11.2022

SD/-
AMIT BANSAL
CEO

CEO and CFO DECLARATION

**The Board of Directors of,
K&R Rail Engineering Limited
(Formerly known as Axis Rail India Limited)
Secunderabad**

Date: November 01 , 2022

We hereby certify that for the financial year ending 31-03-2022, on the basis of review of financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

1. These Statements of K&R RAIL ENGINEERING LIMITED for the Financial year ending 31-03- 2022, do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations
3. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and we have taken steps from time to time to rectify these deficiencies.
5. We further certify that we have indicated to the Auditors and the Audit Committee that:
 - a) there have been no significant changes in internal control over financial reporting during the year;
 - b) there have been no significant changes in accounting policies during the year and
 - c) there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Sd/-
AMIT BANSAL
(CEO)**

**Sd/-
PRAHALLADA RAO
(CFO)**

Independent Auditor’s Report

To the members of K&R Rail Engineering Limited (Formerly known as Axis Rail India Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **K&R RAIL ENGINEERING LIMITED (Formerly known as Axis Rail India Limited)** (“the Company”), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the “standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (“SA”) 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Description of Key Audit Matter

The key audit matter	How the matter was addressed in our audit
Revenue recognition – <ul style="list-style-type: none">The Company engages in Fixed Price Contracts, wherein, revenue is recognized using the percentage of completion method i.e. as and when the work executed by the Company and duly certified by the Client, the Company recognize income to that extent.	Our audit procedures included: <ul style="list-style-type: none">We have assessed the Company’s accounting policies relating to revenue, by comparing with applicable accounting standards.We have assessed the design and implementation and tested the operating effectiveness of Company’s

<ul style="list-style-type: none"> • There is inherent risk and presumed fraud risk around the accuracy and existence of revenues recognized considering the customized and complex nature of these contracts. • These contracts may involve onerous obligations which requires critical assessment of foreseeable losses to be made by the Company at the year end, significant amount of work in progress related to these contracts are recognized on the balance sheet. • Given the complexity and judgement required to assess the correct revenue recognition, this is a key audit matter. 	<p>internal controls over the revenue recognition.</p> <ul style="list-style-type: none"> • On selected / specific contracts, we tested that the revenue is recognized in accordance with Revenue recognised Standard. • Inspected the underlying documents to determine reasonableness of contract costs.
<p>Regulations - Litigations and claims</p> <ul style="list-style-type: none"> • The Company operates in various States within India and is exposed to different Central and State/Local laws, regulations and interpretations thereof. In this regulatory environment, there is an inherent risk of litigations and claims. • Consequently, provisions and contingent liability disclosures may arise from indirect tax proceedings, legal proceedings, including regulatory and other government/ department proceedings, as well as investigations by authorities and commercial claims. • The Company applies significant judgement in estimating the likelihood of the future outcome in each case and in determining the provisions or disclosures required for each matter • Resolution of tax and legal proceedings may span over multiple years due to the highly complex nature and magnitude of the legal matters involved and may involve protracted negotiation or litigation. • These estimates could change significantly over time as new facts emerge and each legal case progresses. • Given the inherent complexity and magnitude of potential exposures and the judgement necessary to estimate the amount of provisions required or to determine required disclosures, this is a key audit matter. 	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • We have gained an understanding of outstanding litigations against the Company from the Company's in-house legal counsel and other key managerial personnel who have knowledge of these matters • We have read the correspondence between the Company and the various tax/legal authorities and the legal opinions of external legal advisors, where applicable, for significant matters. • We have tested the completeness of the litigations and claims by examining, on a sample basis, the Company's legal expenses and minutes of the board meetings. • We have challenged the Company's estimate of the possible outcome of the disputed cases based on applicable tax laws and legal precedence by involving our tax specialists. • We have assessed the adequacy of the Company's disclosures in respect of contingent liabilities for tax and legal matters.

<p>Recognition and measurement of Income Taxes</p> <ul style="list-style-type: none"> • The determination of provision for income tax and deferred taxes including write backs of provisions involves significant judgements and estimates and interpreting the prevailing tax laws and rules. • These also involve significant judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the standalone financial statements. • Considering the complexity and significant level of estimation and judgement, this is a key audit matter 	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • We have obtained an understanding of key tax matters. • We have read and analysed select key correspondences, external legal opinions/ consultations obtained by the Company for key tax matters • We have critically challenged the key assumptions made by the Company in estimating current and deferred taxes by involving our tax specialists. • We have assessed the adequacy of the Company's disclosures for income taxes in the standalone financial statements.
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Information Other than the 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibilities for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 the 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note No 42 to the Standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

2. As required by the Companies (Auditor’s Report) Order, 2020 (the “Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For CHOWDARY AND RAO
Chartered Accountants
Firm Regn.No. 000656S

(MANDAVA SUNIL KUMAR)

Partner
Mem No. 217061
ICAI UDIN: 22217061AJXOXB7918

Date: 28.05.2022
Place: Hyderabad

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of K&R Rail Engineering Limited (formerly known as Axis Rail India Limited) of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 K&R Rail Engineering Limited (Formerly known as Axis Rail India Limited) (the “Company”) as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Management of the Company 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 (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For CHOWDARY AND RAO
Chartered Accountants
Firm Regn.No. 000656S

(MANDAVA SUNIL KUMAR)

Partner
Mem No. 217061
ICAI UDIN: 22217061AJXOXB7918

Date: 28.05.2022
Place: Hyderabad

Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of K&R RAIL ENGINEERING LIMITED (Formerly known as Axis Rail India Limited) Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The Company does not hold any land and constructed buildings on its name. Hence verification of Title Deeds and other relevant data is not required. Hence, we have not commented on this clause. Based on our examination of the lease agreement for office buildings, we report that, where the company is the lessee and the lease agreements are duly executed in favour of the lessee and disclosed in the financial statements as at the balance sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
 - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
 - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
 - (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
 - (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.

- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. However, GST Audits for the FY 2018-19, 2019-20 and 2020-21 were not completed, pending outcome of the audits, if any, not provided in the books of accounts.
There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:
- | Nature of the statute | Nature of dues | Forum where Dispute is Pending | Period to which the Amount Relates | Amount ₹ crore |
|-----------------------|----------------|---|--|----------------|
| Finance Act, 1994 | Service Tax | Customs Excise and Service Tax Appellate Tribunal | FY 2014-15 to FY 2017-18 (up to June 2017) | 38.00 |
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- ix. (a) In our opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year;
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanation given to us, term loans were applied for the purpose for which the loans were obtained;
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For CHOWDARY AND RAO
Chartered Accountants
Firm Regn.No. 000656S

(MANDAVA SUNIL KUMAR)

Partner
Mem No. 217061
ICAI UDIN: 22217061AJXOXB7918

Date: 28.05.2022
Place: Hyderabad

K&R RAIL ENGINEERING LIMITED
(Formerly Known as AXIS RAIL INDIA LIMITED)
Balance Sheet as at 31st March 2022

(All amounts Lakhs in Indian Rupees (₹), except share data and where otherwise stated)

		₹ in Lakhs	
	Note	As at 31 March 2022	As at 31 March 2021
Assets			
Non-current assets			
Property, plant and equipment	4	1,668.88	1,263.33
Financial assets			
Loans	5	-	-
Deferred Tax Assets net	6	18.31	38.07
		1,687.19	1,301.40
Current assets			
Inventories	7	1,077.67	960.36
Financial assets			
Trade receivables	8	3,928.73	3,644.28
Cash and cash equivalents	9	348.80	569.57
Other Bank balances	10	693.73	1,311.10
Loans	5	1,592.06	1,499.70
Others	11	528.03	9.94
Current tax assets, net	12	162.34	134.62
Other current assets	13	130.74	70.33
		8,462.10	8,199.90
Total assets		10,149.29	9,501.30
Equity and Liabilities			
Equity			
Equity share capital	14	1,577.94	1,577.94
Preference share capital	14	1,411.46	1,411.46
Other equity	15	2,461.97	1,838.37
Total equity		5,451.36	4,827.76
Non-current liabilities			
Financial Liabilities			
Borrowings	16	916.05	498.42
Other non current liabilities	17	-	-
Provisions	18	44.95	38.72
		961.00	537.14
Current liabilities			
Financial Liabilities			
Borrowings	16	398.22	128.37
Trade payables	19	802.13	1,848.44
Other financial liabilities	20	27.97	42.97
Other current liabilities	17	2,218.42	1,924.33
Provisions	18	19.26	16.59
Current tax liabilities, net	21	270.94	175.69
		3,736.94	4,136.40
Total liabilities		4,697.94	4,673.54
Total equity and liabilities		10,149.29	9,501.30

Summary of significant accounting policies 3

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for CHOWDARY AND RAO

Chartered Accountants

ICAI Firm Registration Number: 000656S

for and on behalf of the Board of Directors of

K&R RAIL ENGINEERING LIMITED

CIN: L45200TS1983PLC082576

Partner

MANDAVA SUNIL KUMAR

Mem No. 217061

Amit Bansal

CEO

PAN:ACFPB7608

Rabindra K Bari

Director

DIN: 08773785

Maniza Khan

Director

DIN: 07146123

Place: Hyderabad

Date:

UDIN:

Kulkarni Prahlada rao

Chief Financial Officer

PAN: AKMPR1779B

Yavanika Singh

Company Secretary

M.No. A24864

K&R RAIL ENGINEERING LIMITED
(Formerly Known as AXIS RAIL INDIA LIMITED)
Statement of Profit and Loss for the year ended 31st March, 2022
(All amounts Lakhs in Indian Rupees (₹), except share data and where otherwise stated)

		₹ in Lakhs	
	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations	22	19,465.06	12,993.66
Other income	23	64.99	-
Total income		19,530.05	12,993.66
Expenses			
Cost of materials consumed	24	16,960.61	10,508.30
Change in inventories of stock in trade	25	(117.30)	(620.27)
Other operating expenses	26	956.91	1,527.85
Employee benefits expense	27	237.74	234.82
Depreciation and amortisation expense	28	182.52	180.34
Finance costs	29	112.99	155.77
Other expenses	30	338.68	405.94
Total expense		18,672.15	12,392.75
Profit before tax and Exceptional Items		857.91	600.91
Exceptional Items	31	-	-
Total Profit before tax		857.91	600.91
Tax expenses			
Current tax	32	230.00	161.00
Prior year tax	32	2.64	-
Deferred tax	32	19.76	16.20
Total tax expense		252.40	177.20
Profit for the year		605.51	423.71
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Re-measurement gains/ (losses) on mutual funds		18.08	3.64
Income-tax effect	32	-	-
Other comprehensive income for the year, net of tax		18.08	3.64
Total comprehensive income for the year		623.60	427.35
Earnings per equity share (nominal value of ₹ 10) in INR			
Basic		3.95	2.71
Diluted		3.95	2.71

Summary of significant accounting policies 3

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for CHOWDARY AND RAO

Chartered Accountants

ICAI Firm Registration Number: 000656S

for and on behalf of the Board of Directors of

K&R RAIL ENGINEERING LIMITED

CIN: L45200TS1983PLC082576

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MANDAVA SUNIL KUMAR

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Kulkarni Prahlada Rao

Chief Financial Officer

PAN: AKMPR1779B

Yavanika Singh

Company Secretary

M.No. A24864

K&R RAIL ENGINEERING LIMITED
(Formerly Known as AXIS RAIL INDIA LIMITED)
statement of Cash Flows

(All amounts Lakhs in Indian Rupees (₹), except share data and where otherwise stated)

	For the year ended 31 March 2022	₹ in Lakhs For the year ended 31 March 2021
I. Cash flows from operating activities		
Profit before tax	857.91	600.91
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation of tangible assets	182.52	180.34
Provision for doubtful debts	-	-
Finance costs (including fair value change in financial instruments)	(5.81)	99.23
Operating profit before working capital changes	1,034.62	880.48
<i>Changes in working capital:</i>		
Adjustment for (increase)/decrease in operating assets		
Trade receivables	(284.45)	(1,063.41)
Inventories	(117.30)	(620.27)
Loans	(92.36)	319.64
Other financial assets - current	(518.08)	(3.64)
Other assets	(60.41)	178.40
Adjustment for (increase)/decrease in operating liabilities		
Trade payables	(1,046.31)	1,175.95
Other financial liabilities - current	11.98	17.30
Other current liabilities	294.08	971.16
Cash generated from operations	(778.24)	1,855.61
Direct & Indirect taxes paid	(165.12)	(414.51)
Net cash generated from/(used in) operating activities	(943.36)	1,441.10
II. Cash flows from investing activities		
Purchase of property, plant and equipment and intangibles (including capital work in progress)	(644.02)	(100.38)
Proceeds from sale of property, plant and equipment	55.94	-
Net cash used in investing activities	(588.08)	(100.38)
III. Cash flows from financing activities		
Proceeds from/(repayment of) long-term borrowings, net	417.65	473.90
Proceeds from/(repayment of) short-term borrowings, net	269.85	71.23
Interest paid	5.81	(99.23)
Net cash provided by financing activities	693.30	445.90
Net increase in cash and cash equivalents (I+II+III)	(838.14)	1,786.62
Cash and cash equivalents at the beginning of the year	1,880.67	2,842.50
Cash and cash equivalents at the end of the year (refer note below)	1,042.53	4,629.12
Note:		
Cash and cash equivalents comprise:		
Cash on hand	0.22	0.22
Balances with banks:		
- in current accounts & Fixed Deposits	1,042.31	1,880.45
	1,042.53	1,880.67

Summary of significant accounting policies

3

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for CHOWDARY AND RAO

Chartered Accountants

ICAI Firm Registration Number: 000656S

for and on behalf of the Board of Directors of

K&R RAIL ENGINEERING LIMITED

CIN: L45200TS1983PLC082576

Partner

MANDAVA SUNIL KUMAR

Mem No. 217061

Place: Hyderabad

Date:

UDIN:

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Chief Financial Officer

PAN: AKMPR1779B

Yavanika Singh

Company Secretary

M.No. A24864

K&R RAIL ENGINEERING LIMITED
(Formerly Known as AXIS RAIL INDIA LIMITED)
Statement of Changes in Equity for the year ended March 31, 2022
(All amounts Lakhs in Indian Rupees (₹), except share data and where otherwise stated)

₹ in Lakhs

a. Equity Share Capital

	No. of shares	Amount
Balance as at April 1, 2018	157.79	1,577.94
Balance as at March 31, 2019	157.79	1,577.94
Balance as at March 31, 2020	157.79	1,577.94

b. Preference Share Capital

	No. of shares	Amount
Balance as at April 1, 2018	141.15	1,411.46
Balance as at March 31, 2019	141.15	1,411.46
Balance as at March 31, 2020	141.15	1,411.46

Total Share Capital

2,989.39

c. Other equity

Particulars	Reserves and Surplus		Total
	General reserve	Retained earnings	
At April 1, 2020	1,411.02		1,411.02
Profit for the year		423.71	423.71
Less: Adjustment to depreciation			-
Other comprehensive income		3.64	3.64
Transfer from Retained earnings to General reserve	427.35	(427.35)	-
At March 31, 2021	1,838.37	-	1,838.37
Profit for the year		605.51	605.51
Other comprehensive income		18.08	18.08
Transfer from Retained earnings to General reserve	623.60	(623.60)	-
Balance as of 31 March 2022	2,461.97	-	2,461.97

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for CHOWDARY AND RAO

Chartered Accountants

ICAI Firm Registration Number: 000656S

for and on behalf of the Board of Directors of

K&R RAIL ENGINEERING LIMITED

CIN: L45200TS1983PLC082576

Partner

MANDAVA SUNIL KUMAR

Mem No. 217061

Amit Bansal

CEO

PAN:ACFPB7608E

Rabindra K Barik

Director

DIN: 08773785

Place: Hyderabad

Date:

Kulkarni Prahlada rao

Chief Financial Officer

Yavanika Singh

Company Secretary

Mem. No. A24864

K&R RAIL ENGINEERING LIMITED
(Formerly Known as AXIS RAIL INDIA LIMITED)

Notes forming part of the financial statements

(All amounts Lakhs in Indian Rupees (₹), except share data and where otherwise stated)

₹ in Lakhs

1 General Information

K&R Rail Engineering Limited ('the Company') is a Public Limited Company having its registered office at Hyderabad, India. The Company is carrying on the business of laying of private Railway Sidings on turnkey basis.

2 Basis of preparation of financial statements

2.1 Statement of Compliance

The financial statements have been prepared in accordance of Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

The financial statements were authorised for issue by the Company's Board of Directors on **June 30, 2022**.

Details of the accounting policies are included in Note 3.

2.2 Basis of measurement

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the statement of financial position:

Certain financial assets are and liabilities are measured at fair value;

long term borrowings are measured at amortised cost using effective interest rate method.

2.3 Functional currency

The financial statements are presented in Indian rupees, which is the functional currency of the Company. Functional currency of an entity is the currency of the primary economic environment in which the entity operates.

All amounts are in Indian Rupees except share data, unless otherwise stated.

2.4 Operating cycle

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within twelve months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
 - b) it is held primarily for the purpose of being traded;
 - c) it is due to be settled within twelve months after the reporting date; or
 - d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
- Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

2.5 Critical accounting judgements and key sources of estimation uncertainty Operating cycle

In the application of the Company's accounting policies, which are described in note 3, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

K&R RAIL ENGINEERING LIMITED
(Formerly Known as AXIS RAIL INDIA LIMITED)
Notes forming part of the financial statements

(All amounts Lakhs in Indian Rupees (₹), except share data and where otherwise stated)

Provision and contingent liability

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2022 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

2.6 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3 Significant accounting policies

3.1 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount can be reliably measured.

- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, volume rebates and GST are recognised when all significant risks and rewards of ownership of the goods sold are transferred.
- The recognition of revenue and expenses by reference to the stage of complete of a contract is referred to as the percentage of completion method. Under this method, contract revenue is matched with the contract costs incurred in reaching the stage of completion, resulting in the reporting of revenue, expenses and profit which can be attributed to the proportion of work completed at the reporting date as per the IAS and Income Disclosure Standards.
- Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.2 Leases

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.

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Assets held under leases that do not transfer substantially all the risks and reward of ownership are not recognized in the balance sheet.

Lease payments under operating lease are generally recognised as an expense in the statement of profit and loss on a straight-line basis over the term of lease unless such payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Further, at the inception of above arrangement, the Company determines whether the above arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Company separates a payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values.

If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

K&R RAIL ENGINEERING LIMITED
Notes forming part of the financial statements

(All amounts Lakhs in Indian Rupees (₹), except share data and where otherwise stated)

3.3 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

3.4 Borrowing costs

Specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

3.5 Taxation

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising upon the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.6 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

3.7 Property, plant and equipment

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

3.8 Expenditure during construction period

Expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

K&R RAIL ENGINEERING LIMITED
(Formerly Known as AXIS RAIL INDIA LIMITED)

Notes forming part of the financial statements

(All amounts Lakhs in Indian Rupees (₹), except share data and where otherwise stated)

3.9 Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a Straight Line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company

The Company has componentised its PPE and has separately assessed the life of major components. In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets.

Such classes of assets and their estimated useful lives are as under:

Particulars	Useful life
Buildings	30 years
Plant and Machinery	9 years
Office Equipment	5 years
Computers	3 years
Furniture and Fixtures	10 years
Vehicles	8 years

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the date of deduction/disposal.

3.10 Intangible assets and amortisation

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use.

Amortization

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

3.11 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

3.12 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated. Bank overdrafts are classified as part of cash and cash equivalent, as they form an integral part of an entity's cash management.

3.13 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Where the Company receives non-monetary grants, the asset and the grant are accounted at fair value and recognised in the statement of profit and loss over the expected useful life of the asset.

3.14 Impairment of non financial assets

The carrying amounts of the Company's non-financial assets, inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the income statement if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Goodwill that forms part of the carrying amount of an investment in an associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

An impairment loss in respect of equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An impairment loss is recognized in the income statement, and reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

K&R RAIL ENGINEERING LIMITED
(Formerly Known as AXIS RAIL INDIA LIMITED)

Notes forming part of the financial statements

(All amounts Lakhs in Indian Rupees (₹), except share data and where otherwise stated)

3.15 Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

The Company's contributions to defined contribution plans are charged to the income statement as and when the services are received from the employees.

Defined benefit plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used. The current service cost of the defined benefit plan, recognized in the income statement in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the income statement. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Other long-term employee benefits

The Company's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

3.16 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

3.17 Contingent liabilities & contingent assets

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

3.18 Financial instruments

a. Recognition and Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b. Classification and Subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

– amortised cost;

– FVTPL

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Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and the frequency, volume and timing of sales of financial assets in prior

periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount

treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, Subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss or derecognition is also recognised in profit or loss.

c. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

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that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit

d. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

e. Impairment

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income (FVOCI) are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and

– other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

This is generally the case when the Company determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

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₹ in Lakhs

4 **Property, plant and equipment**

Particulars	Land	Office Equipment	Furniture	Computers	Vehicles	Buildings	Plant & Machinery	Total
Deemed Cost								
At April 1, 2020	-	201.34	33.33	25.38	1,988.70	58.11	210.66	2,517.52
Additions	-	2.96	0.03	3.78	93.41	-	0.17	100.35
Deletions	-	-	-	-	-	-	-	-
At March 31, 2021	-	204.30	33.36	29.16	2,082.11	58.11	210.83	2,617.87
Additions	-	0.61	0.28	4.34	638.25	-	0.54	644.02
Deletions	-	-	-	-	72.69	-	-	72.69
At March 31, 2022	-	204.91	33.64	33.50	2,647.67	58.11	211.37	3,189.20
Accumulated depreciation								
At April 1, 2020	-	197.39	33.33	25.03	655.87	58.11	204.47	1,174.20
Charge for the year	-	1.24	-	0.92	172.14	-	6.04	180.34
Less: Adjustments	-	-	-	-	-	-	-	-
At March 31, 2021	-	198.63	33.33	25.95	828.01	58.11	210.51	1,354.54
Charge for the year	-	1.77	0.02	1.86	178.74	0.00	0.14	182.52
Less: Adjustments	-	-	-	-	16.74	-	-	16.74
At March 31, 2022	-	200.40	33.35	27.81	990.01	58.11	210.65	1,520.32
Carrying amount								
At April 1, 2020	-	3.95	-	0.35	1,332.83	-	6.19	1,343.32
At March 31, 2021	-	5.67	0.03	3.21	1,254.10	-	0.32	1,263.33
At March 31, 2022	-	4.51	0.29	5.70	1,657.66	(0.00)	0.72	1,668.88

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5 Loans	31 March 2022	31 March 2021					
Non-Current							
Unsecured, considered good							
Security Deposits	-	-					
Total	<u>-</u>	<u>-</u>					
Current							
Unsecured, considered good							
Retention Money	1,592.06	1,499.70					
Total	<u>1,592.06</u>	<u>1,499.70</u>					
6 Deferred Tax Assets, net							
	31 March 2022	31 March 2021					
Deferred tax asset/(Liability)							
- Tangible assets	18.31	38.07					
- Provision allowed under tax on payment basis	-	-					
Total	<u>18.31</u>	<u>38.07</u>					
7 Inventories							
	31 March 2022	31 March 2021					
Work in Progress	988.30	870.99					
Stock-in-Trade	89.37	89.37					
Total	<u>1,077.67</u>	<u>960.36</u>					
8 Trade receivables							
	31 March 2022	31 March 2021					
Unsecured, considered good	3,928.73	3,644.28					
	<u>3,928.73</u>	<u>3,644.28</u>					
Less: Allowance for doubtful receivables	-	-					
Total	<u>3,928.73</u>	<u>3,644.28</u>					
Trade Receivables ageing schedule for the year ended on 31st March, 2022 and 31st March 2021							
Particulars	Net Due	Outstanding for following periods from due date of payment					Total
		< 6 Months	>6 months	1-2 Years	2-3 Years	>3 years	
		to 1 Year					
Undisputed Trade Receivables							
- considered good	3928.73	220.05	1815.05	958.23	-	935.40	3,928.73
	3644.28	165.91	1903.48	415.76	140.85	1018.28	3,644.28
Undisputed Trade Receivables							
-credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables							
- considered good	-	-	-	-	-	-	-
Disputed Trade Receivables							
-credit impaired	-	-	-	-	-	-	-
The Management has considered the Receivables which are due more than 3 years as good and accordingly no provision for expected loss has been provided during the year.							
9 Cash and cash equivalents							
	31 March 2022						31 March 2021
Balances with banks:							
- On current accounts	348.58						569.35
Cash on hand	0.22						0.22
Total	<u>348.80</u>						<u>569.57</u>
10 Other Bank Balances							
	31 March 2022						31 March 2021
Term deposits with Banks with original maturities of more than 3 months and less than 1 year*	693.73						1,311.10
Total	<u>693.73</u>						<u>1,311.10</u>
*Represents margin money deposits against bank guarantees .							
11 Other financial assets							
	31 March 2022						31 March 2021
Current							
Investments in Mutual Funds	528.03						9.94
(Net of impairment in value of investments)							
Total	<u>528.03</u>						<u>9.94</u>
12 Current tax assets, net							
	31 March 2022						31 March 2021
Advance taxes and TDS receivable	162.34						134.62
Total	<u>162.34</u>						<u>134.62</u>
13 Other assets							
	31 March 2022						31 March 2021
Current							
Unsecured, considered good							
Advances other than capital advances							
Advances for Supplies	62.87						29.12
Service Tax Deposit							
Income Tax Deposit							
Salary Advances	1.18						0.45
Prepaid Expenses	13.04						10.37
GST Input	53.66						30.39
Advance for works contracts	-						-
Total	<u>130.74</u>						<u>70.33</u>

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₹ in Lakhs

14 Share Capital

	31 March 2022	31 March 2021
Authorised Share Capital		
Equity Shares		
3,10,00,000 (March 31, 2021: 3,10,00,000; April 1, 2020: 3,10,00,000) equity shares of ₹ 10/- each	3,100.00	3,100.00
Preference Shares		
2,40,50,000 7% Optionally Convertible Preference Shares (March 31, 2021: 2,40,50,000; April 1, 2020: 2,40,50,000) equity shares of ₹ 10/- each	2,405.00	2,405.00
Issued, subscribed and fully paid-up		
Equity Shares		
1,57,80,105 (March 31, 2021: 1,57,80,105; April 1, 2020: 1,57,80,105) equity shares of ₹ 10/- each fully paid-up	1,578.01	1,578.01
Less: Unpaid calls on 750 shares of Rs.10/-each	0.08	0.08
	1,577.94	1,577.94
Preference Shares		
1,41,14,556 (March 31, 2021: 1,41,14,556; April 1, 2020: 1,41,14,556) equity shares of ₹ 10/- each fully paid-up	1,411.46	1,411.46
	1,411.46	1,411.46

(a) Reconciliation of shares outstanding at the beginning and end of the reporting year

Particulars	31 March 2022		31 March 2021	
	No. of equity shares	Amount	No. of equity shares	Amount
Outstanding at the beginning of the year	157.79	1,577.94	157.79	1,577.94
Issued during the year	-	-	-	-
Outstanding at the end of the year	157.79	1,577.94	157.79	1,577.94

Preference Shares

Particulars	31 March 2022		31 March 2021	
	No. of equity shares	Amount	No. of equity shares	Amount
Outstanding at the beginning of the year	141.15	1,411.46	141.15	1,411.46
Issued during the year	-	-	-	-
Outstanding at the end of the year	141.15	1,411.46	141.15	1,411.46

(b) Terms / rights attached to the equity shares

Equity shares of the Company have a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Terms / rights attached to the Preference shares

Preference shares carried a fixed non cumulative dividend of 7% Optionally Convertible Redeemable Preference Shares of Rs. 10/- each. The Preference shares were issued on 15/12/2015 and the same should be converted or redeemed by 15/12/2020. However, as per the Board of Directors Meeting held on 18.12.2020, the Optionally Convertible Redeemable Preference Shares were extended for a period of 05 years from the due date of redemption, i.e. by a period upto 18.12.2025. The preference share holders shall get a right over the equity shareholders in case of right to dividend as well as repayment of capital in case of winding up of the company. The preference share holders shall have limited voting right, which shall be confined to the rights to vote on those matters affecting their interest.

(c) Details of shareholders holding more than 5% shares in the

Particulars	31 March 2022		31 March 2021	
	No. of equity shares held	% holding in the class	No. of equity shares held	% holding in the class
Ajaz Farooqi	38.68	24.52%	38.68	24.52%
Asma Farooqi	12.45	7.89%	12.45	7.89%
Ajaz Investments Pvt Limited	7.18	4.55%	7.18	4.55%
Asma Estates & Investments Pvt Limited	15.86	10.05%	15.86	10.05%
Shoeb Estates Pvt Limited	11.69	7.41%	11.69	7.41%
Zainab Investments Pvt Limited	10.76	6.82%	10.76	6.82%
Zara Investments Pvt Limited	21.55	13.66%	21.55	13.66%

Preference Shares

Particulars	31 March 2022		31 March 2021	
	No. of equity shares held	% holding in the class	No. of equity shares held	% holding in the class
Ajaz Farooqi	39.17	27.75%	39.17	27.75%
Asma Farooqi	15.93	11.29%	15.93	11.29%
Ajaz Investments Pvt Limited	8.82	6.25%	8.82	6.25%
Asma Estates & Investments Pvt Limited	20.60	14.60%	20.60	14.60%
Shoeb Estates Pvt Limited	15.19	10.76%	15.19	10.76%
Zainab Investments Pvt Limited	13.97	9.90%	13.97	9.90%
Zara Investments Pvt Limited	27.47	19.46%	27.47	19.46%

15 Other equity

	31 March 2022	31 March 2021
General reserve		
Opening balance	1,838.32	1,411.02
Additions during the year	623.60	427.35
Closing balance	<u>2,461.91</u>	<u>1,838.37</u>
Retained earnings		
Opening balance	(0.05)	-
Profit/(loss) for the year	605.51	423.71
Less: Adjustment due to Depreciation	-	(0.05)
Add: Other comprehensive income	18.08	3.64
Less: Transfer to General reserve	(623.60)	(427.35)
Closing balance	<u>(0.05)</u>	<u>(0.05)</u>
Total other equity	<u>2,461.86</u>	<u>1,838.32</u>

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	31 March 2022	31 March 2021
16 Borrowings		
Non-current Borrowings		
Secured loans		
Vehicle Loans from Banks & Financial Institutions (refer note 16A)	916.05	498.42
Total	<u>916.05</u>	<u>498.42</u>
Current Borrowings		
Secured loans		
Vehicle Loans from Banks & Financial Institutions (refer note 16B)	398.22	128.37
Total	<u>398.22</u>	<u>128.37</u>
17 Other liabilities		
Non-Current		
Advance received from customers	-	-
	<u>-</u>	<u>-</u>
Current		
Bank OD	49.43	23.93
Advance received from customers	2,094.29	1,894.28
Statutory liabilities	74.70	6.13
	<u>2,218.42</u>	<u>1,924.33</u>
18 Provisions		
Non-Current		
Provision for Gratuity	44.95	38.72
	<u>44.95</u>	<u>38.72</u>
Current		
Provision for Gratuity	19.26	16.59
	<u>19.26</u>	<u>16.59</u>
19 Trade payables		
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 37)	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	802.13	1,848.44
	<u>802.13</u>	<u>1,848.44</u>
20 Other financial liabilities		
Current		
Outstanding expenses	0.28	16.66
Employee salaries payable	22.69	21.31
Audit Fee Payable	5.00	5.00
	<u>27.97</u>	<u>42.97</u>
21 Current tax liabilities, net		
Current		
Provision for taxes	270.94	175.69
	<u>270.94</u>	<u>175.69</u>

Annexure-16A - Current

The details of rate of interest and repayment terms of other term loans are as under

S.No.	Particulars	Number of loans outstanding as on date		Outstanding Balance as at (₹ in lakhs)		Interest range % per annum	Balance number of instalments as at		Frequency instalments	Commencing from – to
		31.03.2022	31.03.2021	31.03.2022	31.03.2021		31.03.2022	31.03.2021		
1	Bank of Baroda	1.00	1.00	16.52	23.93	9.25 to 11.5%	25	37	monthly	28.10.2017 to 31.10.2020
2	HDFC bank ltd	2.00	3.00	11.65	22.39	9.7 to 9.9%	51	63	monthly	11.06.2019 to 10.06.2022
3	ICICI Bank Ltd	1.00	1.00	3.78	3.78	8.66%	7	19	monthly	15.05.2018 to 14.05.2023
4	YES Bank	1.00	1.00	2.10	2.10	9.37%	18	30	monthly	19.07.2019 to 18.07.2024
5	Oriental Bank of Commerce	1.00	1.00	76.17	76.17	9.05	91	103	monthly	09.10.2019 to 09.08.2029
6	Axis Bank	2.00	-	288.00	-	9.55%	36	0	monthly	31.03.2022 to 31.03.2025
				398.22	128.37					

Annexure-16B - Non Current

The details of rate of interest and repayment terms of other term loans are as under

S.No.	Particulars	Number of loans outstanding as on date		Outstanding Balance as at (₹ in lakhs)		Interest range % per annum	Balance number of instalments as at		Frequency instalments	Commencing from – to
		31.03.2022	31.03.2021	31.03.2022	31.03.2021		31.03.2022	31.03.2021		
1	Bank of Baroda	1.00	1.00	-	-	9.25 to 11.5%	25	37	monthly	28.10.2017 to 31.10.2020
2	HDFC bank ltd	2.00	3.00	34.17	92.94	9.7 to 9.9%	51	63	monthly	11.06.2019 to 10.06.2022
3	ICICI Bank Ltd	1.00	1.00	1.89	5.97	8.66%	7	19	monthly	15.05.2018 to 14.05.2023
4	YES Bank	1.00	1.00	4.09	6.30	9.37%	18	30	monthly	19.07.2019 to 18.07.2024
5	Oriental Bank of Commerce	1.00	1.00	353.71	393.20	9.05	91	103	monthly	09.10.2019 to 09.08.2029
6	Axis Bank	2.00	-	522.20	-	9.55%	36	0	monthly	31.03.2022 to 31.03.2025
				916.05	498.42					

Gratuity

₹ in Lakhs

The Company provides its employees with benefits under a defined benefit plan, referred to as the “Gratuity Plan”. The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/exit, restricted to a sum of ₹ 2.00 Million. As per the Actuarial Valuation report, the provision is to be created is Rs 11.53 lakhs(previous year Rs6.48 lakhs). However, current year provision is made lesser than the Actuarial Valuation, as excess provision is made in the previous year.

The following tables summarize the components of net benefit expense recognised in the statement of profit or loss and the amounts recognised in the balance sheet for the plan:

Reconciliation of opening and closing balances of the present value of the defined benefit obligations:

Particulars	31-Mar-22	31-Mar-21	31-Mar-20
Opening balance	55.32	43.55	31.73
Current service cost	8.89	11.77	2.22
Past service cost	-	-	-
Interest cost	-	-	-
Benefits paid	-	-	-
Actuarial gain	-	-	9.60
Closing balance	64.21	55.32	43.55
Present value of projected benefit obligation at the end of the year	64.21	55.32	43.55
Fair value of plan assets at the end of the year	-	-	-
Net liability recognised in the balance sheet	64.21	55.32	43.55
Current provision	19.26	16.59	13.44
Non current provision	44.94	38.72	30.11

Expenses recognised in statement of profit and loss	31-Mar-22	31-Mar-21
Service cost	8.89	11.77
Interest cost	-	-
Gratuity cost	8.89	11.77
Re-measurement gains/ (losses) in OCI		
Actuarial gain / (loss) due to demographic assumption changes -	-	-
Actuarial gain / (loss) due to financial assumption changes	-	-
Actuarial gain / (loss) due to experience adjustments	-	-
Return on plan assets greater (less) than discount rate	-	-
Total expenses routed through OCI	-	-

Assumptions	31-Mar-22	31-Mar-21
Discount rate (per annum)	6.32%	6.32%
Future salary increases	3.00%	3.00%

K&R RAIL ENGINEERING LIMITED
(Formerly Known as AXIS RAIL INDIA LIMITED)

Notes forming part of the financial statements

(All amounts Lakhs in Indian Rupees (₹), except share data and where otherwise stated)

₹ in Lakhs

22 Revenue from operations

	31 March 2022	31 March 2021
(a)		
Gross Contract Receipts	1,528.47	4,377.38
Sale of Products	17,936.59	8,504.34
Consultancy income	-	-
Other Income	-	111.94
	19,465.06	12,993.66
	19,465.06	12,993.66

23 Other income

	31 March 2022	31 March 2021
Interest income	64.99	-
Dividend Income	-	-
Extraordinary Income	-	-
	64.99	-
	64.99	-

24 Cost of materials consumed

	31 March 2022	31 March 2021
Purchases of materials	16,960.61	10,508.30
Total	16,960.61	10,508.30
	16,960.61	10,508.30

25 Changes in inventories of Stock in trade & WIP

	31 March 2022	31 March 2021
Stock of land at the beginning of the year	89.37	89.37
WIP at the beginning of the year	870.99	250.72
Less: Stock of land at the end of the year	89.37	89.37
Less: WIP at the end of the year	988.30	870.99
(Increase) / Decrease in Stock in trade	(117.30)	(620.27)
	(117.30)	(620.27)

26 Other operating expenses

	31 March 2022	31 March 2021
Work Expenses	607.53	628.33
Hire Charges	95.16	76.98
Site Expenses	15.39	82.26
Repairs & Maintenance	32.78	17.61
Transportation Charges	206.05	722.66
	956.91	1,527.85
	956.91	1,527.85

27 Employee benefits expense

	31 March 2022	31 March 2021
Salaries & Other benefits	219.24	213.87
Contribution to Provident & Other funds	0.70	1.00
Staff welfare	8.90	8.18
Provision for Gratuity	8.90	11.77
	237.74	234.82
	237.74	234.82

28 Depreciation and amortisation expense

	31 March 2022	31 March 2021
Depreciation of tangible assets	182.52	180.34
	182.52	180.34
	182.52	180.34

29 Finance costs

	31 March 2022	31 March 2021
Interest expenses on borrowings	59.19	99.23
Others	11.07	36.58
Bank Guarantee Commission	37.25	16.63
Bank Charges	5.48	3.34
	<u>112.99</u>	<u>155.77</u>

30 Other expenses

	31 March 2022	31 March 2021
Business Promotion	1.46	0.52
Donations	1.00	0.78
Power & Fuel	15.43	14.97
Insurance	15.70	18.41
Office Maintenance	30.92	18.75
Printing and Stationery	9.91	4.51
Payment to Auditors		
Statutory Audit	5.00	5.00
Advertisement	2.71	1.96
Legal & Professional	46.00	46.50
Rates and Taxes	89.27	192.67
Rent	25.08	41.83
Communication Expenses	5.61	2.30
Travelling & Conveyance	44.44	48.21
Debtors Written off	-	-
Assets written off	-	-
Service Tax	-	-
VAT	-	-
Other Expenses	46.15	9.54
	<u>338.68</u>	<u>405.94</u>

31 Exceptional Items

	31 March 2022	31 March 2021
Extraordinary Item		
	<u>-</u>	<u>-</u>

32 Tax expenses

	31 March 2022	31 March 2021
Current income tax:		
Current income tax charge	230.00	161.00
Prior year tax	2.64	-
Deferred tax:	-	-
Relating to originating and reversal of temporary differences	19.76	16.20
Income tax expense recognised in the statement of profit or loss	<u>252.40</u>	<u>177.20</u>

Deferred tax related to items considered in OCI during the year

	31 March 2022	31 March 2021
Re-measurement gains/ (losses) on defined benefit plan	-	-
Income tax charge to OCI	<u>-</u>	<u>-</u>

K&R RAIL ENGINEERING LIMITED
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Notes forming part of the financial statements
(All amounts Lakhs in Indian Rupees ₹), except share data and where otherwise stated)

₹ in Lakhs

33 Contingent liabilities and commitment

BGs outstanding as on 31st March 2022, is ₹2716.01 lakhs and as on 31st March, 2021 is ₹2834.79 lakhs:

34 Related party disclosures

a) The following table provides the name of the related party and the nature of its relationship with the Company:

Name of the parties	Relationship
Asma Estates & Investments Private Limited	Member / Shareholder
Zainab Investments Private Limited	Member / Shareholder
S V Multilogitech Private Limited	Member / Shareholder

b) Details of all transactions with related parties during the year:

Particulars	31-Mar-22	31-Mar-21
Contract Income from		
SV Multilogitech Pvt Ltd	-	473.29
Payment of Rent to		
Zainab Investments Pvt.Ltd	18.00	26.15
Advance for Contracts to		
Asma Estates & Investments Private Limited	-	-
Zainab Investments Private Limited	-	-
Purchase of Materials/Services from		
SV Multilogitech Pvt Ltd	1,332.81	722.75
Managerial remuneration/consultancy fee to Key managerial personnel*	-	-

c) Terms and conditions of transactions with related parties:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free.

K&R RAIL ENGINEERING LIMITED
(Formerly Known as AXIS RAIL INDIA LIMITED)
Notes forming part of the financial statements
(All amounts Lakhs in Indian Rupees ₹), except share data and where otherwise stated)

35 Segment information

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about operating and geographical segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating segments and geographical segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance and allocates resources on overall basis.

The Company has no reportable segments accordingly.

36 Auditors' remuneration include

Particulars	31-Mar-22	31-Mar-21	31-Mar-20
Statutory audit fee (including limited review)	5.00	5.00	5.00
Total	5.00	5.00	5.00

37 Dues to Micro, small and medium enterprise

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2018 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ("The MSMED Act") is not expected to be material. The Company has not received any claim for interest from any supplier.

Particulars	31-03-202022	31-03-202021	31-Mar-20
a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	Nil	Nil	Nil
b) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil	Nil
c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED Act	Nil	Nil	Nil
d) the amount of interest accrued and remaining unpaid at the end of each accounting year and	Nil	Nil	Nil
e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	Nil	Nil	Nil

38 Leases

Where the Company is a lessee:

The Company has taken various office premises under operating leases. The leases typically run for a term ranging from eleven months to five years, with an option to renew the lease after the term completion. The escalation clause in these arrangement ranges from 5% to 10%.

i) Future minimum lease payments under non-cancellable operating leases are as follows:

Particulars	31-Mar-22	31-Mar-21	31-Mar-20
Not later than 1 year	18.00	18.00	18.00
Later than 1 year and not later than 5 years			
Later than 5 years			

ii) Amounts recognised in statement of profit and loss:

Particulars	31-Mar-22	31-Mar-21
Cancellable lease expense	18.00	18.00
Non - cancellable lease expense		
Total	18.00	18.00

39 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity Shares.

The following table sets out the computation of basic and diluted earnings per share:

Particulars	31-Mar-22	31-Mar-21
Profit for the year attributable to equity share holders	623.60	427.35
Shares		
Weighted average number of equity shares outstanding during the year – basic	157.79	157.79
Weighted average number of equity shares outstanding during the year – diluted	157.79	157.79
Earnings per share		
Earnings per share of par value ₹ 10 – basic (₹)	3.95	2.71
Earnings per share of par value ₹ 10 – diluted (₹)	3.95	2.71

K&R RAIL ENGINEERING LIMITED
(Formerly Known as AXIS RAIL INDIA LIMITED)
Notes forming part of the financial statements

(All amounts Lakhs in Indian Rupees ₹), except share data and where otherwise stated)

₹ in Lakhs

40 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits. The sensitivity analysis in the following sections relate to the position as at March 31, 2022 and March 31, 2021. The sensitivity analyses have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations; provisions.

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2022 and March 31, 2021.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of variable rate borrowings. The Company does not enter into any interest rate swaps.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all oth

	Increase/decrease in interest rate	Effect on profit before tax
March 31, 2022		
INR	+1%	1.13
INR	-1%	(1.13)
March 31, 2021		
INR	+1%	1.56
INR	-1%	(1.56)

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables. The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

Allowance for credit loss	31-Mar-22	31-Mar-21
Opening balance	-	-
Credit loss provided/ (reversed)	-	-
Closing balance	-	-

There is no concentration of revenue as there is no customer which accounts for more than 10% of the revenue.

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

c) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	On demand	Less than 3 months	3 to 12 months	Total
Year ended March 31, 2022				
Borrowings	1,314.27			1,314.27
Trade payables		471.03	94.21	565.24
		-	-	
Year ended March 31, 2021				
Borrowings	626.79			626.79
Trade payables		1,517.34	303.47	1,820.81
		-	-	
As at April 1, 2020				
Borrowings	577.02			577.02
Trade payables		1,321.09	264.22	1,585.31

41 Capital management

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprise of issued share capital and all other equity reserves.

The capital structure as of March 31, 2022, March 31, 2021 and April 1, 2020 was as follows:

Particulars	31-Mar-22	31-Mar-21	31-Mar-20
Total equity attributable to the equity shareholders of the Company	5,451	4,828	4,400
As a percentage of total capital	80.57%	88.51%	88.41%
Long term borrowings including current maturities	916	498	474
Short term borrowings	398	128	103
Total borrowings	1,314	627	577
As a percentage of total capital	19.43%	11.49%	11.59%
Total capital (equity and borrowings)	6,766	5,455	4,977

42 Legal cases:

The Company had signed an agreement with Paradip Port Trust under the name 'K.V.R. Rail Infra Projects Private Limited for 'Railway Work for Deep Draught berths at Paradip Port' for the Contract price of Rs.98.67 Crores. The Letter of Intent (LOI) was issued on 06.06.2011 by the Paradip Port Trust. Subsequently by the order dated 13.10.2014 of Hon'ble High Court of Andhra Pradesh, Hyderabad, the Company has merged with 'Axis Rail India Limited'. Subsequently the name of the Company has been changed from 'Axis Rail India Limited' to 'K&R Rail Engineering Limited'.

The Paradip Port Trust (PPT) has terminated the contract and issued letter dated 26.09.2013 on the ground that the Company had sublet the contract to third party. Aggrieved by this termination of the Contract, the Company had filed a petition before the Arbitral Tribunal of Hon'ble DR.Justice A.K.Rath, Former Judge, High Court of Orissa (Sole Arbitrator) vide Arbitration Proceeding No. 3 of 2020. The Company had claimed the following in the petition filed.

(i) Refund of Retention Money:

The Company claimed Refund of Retention Money for an amount of Rs 4.34 Crores with interest @9% p.a. with effect from 26.09.2013. Thus total Retention Money claimed with interest is Rs.8.64 Crore.

(ii) Refund of the invoked Bank Guarantee

The Company had furnished a Performance Bank Guarantee for a sum of Rs.97.67 lakhs. The PPT had issued a show cause notice on 18.06.2013. In response to the show cause notice the Company through its Lawyer replied on 27.06.2013. However, the PPT had encashed the Bank Guarantee on 24.07.2013. Hence the Company filed petition before the Arbitral Tribunal of Hon'ble Dr Justice A.K.Rath, Former Judge, High Court of Orissa (Sole Arbitrator) vide Arbitration Proceeding No.3 of 2020 and claimed for refund of the Bank Guarantee of Rs. 97.67 lakhs with interest @9% p.a with effect from 24.07.2013. Thus the total claim under this head is Rs.150.42 lakhs.

Legal Cses (Contd..)

(iii) Idling Charges:

The Company had incurred additional expenditure towards equipment hiring charges for the period from February 2013 to August 2013 amounted to Rs.700 lakhs. Hence the Company claimed towards idling charges for an amount of Rs.700 lakhs with interest @9% p.a. with effect from 01.09.2013. Thus the total claim under this head is Rs.11.09 Crore with interest.

(iv) Claim for Final Bill:

The Company raised final bill for Rs.95.37 lakhs on 07.06.2013 towards the work done and materials supplied. The PPT has not paid the same. Hence the

Company claimed for Rs.95.37 lakhs with interest @9% p.a. with effect from 01.09.2013. Thus total claim under this head is Rs.1.51 Crore.

The case is still under process. Pending the out come of the petition the claims for idling charges were not recognised in the financial statements as at 31.03.2022. Due to present pandemic situation the case is not posted yet for hearing

43 Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for CHOWDARY AND RAO

Chartered Accountants

ICAI Firm Registration Number: 000656S

for and on behalf of the Board of Directors of

K&R RAIL ENGINEERING LIMITED

CIN: L45200TS1983PLC082576

Partner

MANDAVA SUNIL KUMAR

Mem No. 217061

Amit Bansal Rabindra K Barik

CEO Director

PAN:ACFPB76 DIN: 08773785

Maniza Khan

Director

DIN: 07146123

Place: Hyderabad

Date:30.05.2022

P.Venu gopal reddy

Chief Financial Officer

PAN: AGHPR092F

Yavanika Singh

Company Secretary

M.No. A24864

SCHEDULES FORMING PART OF THE ACCOUNTS
Note 10 : FIXED ASSETS SCHEDULE AS PER COMPANIES ACT, 2013

Sl. No	Description	Gross Block				Depreciation Block					Net Block		
		As at March 31, 2021	Additions	Delitions	Deductions/ Adjustments (Reserve)	As at Mar. 31st, 2022	As at April 1st, 2021	For the year	Adjustment to Opening Retained Earnings	Deductions/ Adjustments	As atMar. 31st, 2022	As at Mar. 31st, 2022	As at March 31st, 2021
1	Plant and Machinery	2,10,83,226	54,300			2,11,37,526	2,10,50,469	13,882			2,10,64,351	73,175	32,757
2	Furniture and Fixtur	33,35,466	28,000			33,63,466	33,32,984	1,705			33,34,689	28,777	2,482
3	Land	-				-	-	-			-	-	-
4	Buildigs	-				-	-	-			-	-	-
5	Vehicles	20,82,11,383	6,38,24,516	72,69,000		26,47,66,899	8,28,03,516	1,78,73,975	16,74,473	9,90,03,018	16,57,63,881	12,54,07,867	
6	Office Equipment	2,04,29,950	60,873			2,04,90,823	1,98,62,871	1,76,672		2,00,39,543	4,51,280	5,67,079	
7	Computers	29,16,429	4,34,464			33,50,893	25,94,471	1,85,519		27,79,990	5,70,903	3,21,958	
	Total	25,59,76,454	6,44,02,153	72,69,000	-	31,31,09,607	12,96,44,311	1,82,51,753	16,74,473	14,62,21,591	16,68,88,016	12,63,32,143	
	Preivous	24,59,41,797	1,00,34,657	-	-	25,59,76,454	11,16,10,614	1,80,33,697	-	12,96,44,311	12,63,32,143	13,43,31,183	

K&R RAIL ENGINEERING LIMITED
(Formerly Known as AXIS RAIL INDIA LIMITED)
Balance Sheet as at 31st March 2022

(All amounts Lakhs in Indian Rupees (₹), except share data and where otherwise stated)

RATIO ANALYSIS

Particulars	Numerator/Denominator	31 March 2022	31 March 2021	Change in %
(a) Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	2.26	1.98	14.23%
(b) Debt-Equity Ratio	$\frac{\text{Total Debts}}{\text{Equity}}$	0.86	0.97	-10.98%
(c) Debt Service Coverage Ratio	$\frac{\text{Earning available for Debt Service}}{\text{Interest + Installments}}$	4.00	3.99	0.12%
(d) Return on Equity Ratio	$\frac{\text{Profit after Tax}}{\text{Average Shareholder's Equity}}$	11.44%	8.85%	29.23%
(e) Inventory turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Inventories}}$	18.06	13.53	33.50%
(f) Trade receivables turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Account Receivable}}$	4.95	3.57	38.96%
(g) Trade payables turnover ratio	$\frac{\text{Total Purchases}}{\text{Average Account Payable}}$	21.14	5.68	271.94%
(h) Net capital turnover ratio	$\frac{\text{Total Turnover}}{\text{Net Working Capital}}$	4.12	3.20	28.83%
(i) Net profit ratio	$\frac{\text{Net Profit}}{\text{Total Turnover}}$	3.20%	3.29%	-2.59%
(j) Return on Capital employed	$\frac{\text{Net Profit}}{\text{Capital Employed}}$	11.44%	8.85%	29.23%
(k) Return on investment	$\frac{\text{Return on Investment}}{\text{Total Investment}}$	9.37%	8.54%	9.73%

K&R RAIL ENGINEERING LIMITED
(Formerly AXIS RAIL INDIA LIMITED)
DEPRECIATION AS PER INCOME TAX ACT, 1961

As on 31-03-2022

Assmt. Year : 2021-22

NATURE OF ASSET	WRITTEN DOWN VALUE					DEPRECIATION				WDV as on 31-03-2022
	As on 01-04-2021	Additions before 30.9.21	Additions after 30.9.21	Total Additions	As on 31-03-2022	Rate (%)	FULL YEAR	HALF YEAR	Total	
b) Office Building	-	-	-	-	-	-	-	-	-	-
c) Earth Moving Machinery	-	-	-	-	-	10.00	-	-	-	-
d) Furniture & Fixtures	33,74,370	-	-	-	33,74,370	15.00	5,06,155	-	5,06,155	28,68,214
e) Air Conditioner	10,11,011	-	2,542	2,542	10,13,553	10.00	1,01,101	127	1,01,228	9,12,325
f) Equipments	3,66,268	-	-	-	3,66,268	15.00	54,940	-	54,940	3,11,327
g) Office Equipments	58,08,245	-	17,000	17,000	58,25,245	15.00	8,71,237	1,275	8,72,512	49,52,734
h) Survey Instruments	63,17,914	-	2,96,024	2,96,024	66,13,938	15.00	9,47,687	22,202	9,69,889	56,44,049
i) Motor Vehicles	3,51,588	-	-	-	3,51,588	15.00	52,738	-	52,738	2,98,850
j) Motor Cycles	12,18,92,037	-	93,41,049	93,41,049	13,12,33,086	15.00	1,82,83,806	7,00,579	1,89,84,384	11,22,48,702
k) Scooter	1,27,986	-	-	-	1,27,986	15.00	19,198	-	19,198	1,08,788
l) Computer & Accessories	2,303	-	-	-	2,303	15.00	345	-	345	1,957
l) Computer & Accessories	3,16,061	3,47,956	30,086	3,78,042	6,94,103	40.00	2,65,607	6,017	2,71,624	4,22,479
TOTAL	13,95,67,782	3,47,956	96,86,701	1,00,34,657	14,96,02,439		2,11,02,814	7,30,200	2,18,33,014	12,77,69,425

POLLING PAPER (Form No. MGT-12)
Pursuant to Section 109(5) of the Companies Act, 2013 and Rules 21(1)(c) of the Companies
(Management and Administration) Rules, 2014
K&R RAIL ENGINEERING LIMITED
(Formerly known as Axis Rail India Limited)
CIN: L45200TG1983PLC082576
Regd. Office: 12-5-32/8, Bhatukammakunta Vijapuri, South Lallaguda,
Secunderabad Hyderabad TG 500017 IN
Phones: 040-27000499 Fax: 040-27017660
Website:- <https://krrailengg.com/>; E-
Mail:axisrailindia@gmail.com/krrailengineering@gmail.com

BALLOT PAPER				
No.	Particulars	Details		
1.	Name of First Named Shareholder (In Block Letters)			
2.	Postal Address			
3.	Registered Folio No/*Client ID No. (* Applicable to Investors holding shares in dematerialized form)			
4.	Class of share			
I hereby exercise my vote in respect of Ordinary/ Special Resolution enumerated below by recording my assent or dissent to the said resolutions in the following manner				
No.	Item No.	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
	ORDINARY BUSINESS			
1.	<u>Item No. 1</u> Adoption of Audited Financial Statement for the financial year ended 31st March 2022 and the Reports of the Board of Directors and Auditor's thereon			
2.	<u>Item No. 2</u> To appoint a Director in place of Mr. Amit Bansal (DIN 06750775), who retires by rotation and, being eligible, offers himself for re-appointment.			
3.	<u>Item No. 3</u> Appointment of Sukesh Kumar Sharma DIN: 07956766 as a Director			
4.	<u>Item No. 4</u> Appointment of Mirza Mohammed Baig DIN: 9462065 as a Director			
5.	<u>Item No. 5</u> Appointment of Suresh Solanki (DIN: 02550445) as a Director			

	SPECIAL BUSINESS			
6.	<u>Item No. 6</u> Appointment Mr. Rabindra Kumar Barik (DIN: 08773785) as Independent Director of the Company;			
7.	<u>Item No. 7</u> To Pass The Resolution Pursuant To Section 180 (1)(c):			
8.	<u>Item No. 8</u> To Pass The Resolution Pursuant To Section 180 (1)(a)			
PLACE:				
DATE:		Signature of the Shareholder		

K&R RAIL ENGINEERING LIMITED
(Formerly known as Axis Rail India Limited)
CIN: L45200TG1983PLC082576
Regd. Office: 12-5-32/8, Bhatukammakunta Vijapuri, South Lallaguda,
Secunderabad Hyderabad TG 500017 IN

PROXY FORM (Form No. MGT-11)

Pursuant to Section 105(6) of the Companies Act 2013 and Rules 19(3) of the Companies (Management and Administration) Rules, 2014

Name of the Member(s) :

Regd. Address :

Email Id :

Folio No./ Client Id :

DP ID:

I/We being the member of the _____ shares of the above named Company, hereby appoint

1. Name : Address :
 Email Id : Signature :or failing him

2. Name : Address :
 Email Id : Signature :or failing him

3. Name : Address :
 Email Id : Signature :or failing him

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 39th Annual General Meeting of the Company to be held on Wednesday, the 30th day of November, 2022 at 2:00 P.M at Regd. Office : 12-5-32/8, Bhatukammakunta Vijapuri, South Lallaguda Secunderabad Hyderabad TG 500017 IN, and at any adjournment thereof in respect of such resolutions as indicated below:

Resolution No.	Resolution	Optional	
		For	Against
1.	Adoption of Audited Financial Statement for the financial year ended 31st March 2022 and the Reports of the Board of Directors and Auditor's thereon		
2.	To appoint a Director in place of Mr. Amit Bansal (DIN 06750775), who retires by rotation and, being eligible, offers himself for re-appointment.		
3.	Appointment of Sukesh Kumar Sharma DIN: 07956766 as a Director		
4.	Appointment of Mirza Mohammed Baig DIN: 9462065 as a Director		
5.	Appointment of Suresh Solanki (DIN: 02550445) as a Director		
6.	SPECIAL BUSINESS Appointment Mr. Rabindra Kumar Barik (DIN: 08773785) as Independent Director of the Company;		
7.	To Pass The Resolution Pursuant To Section 180 (1)(c)		
8.	To Pass The Resolution Pursuant To Section 180 (1)(a)		

Signed this _____ day of _____ 2022

Signature of Shareholder Signature of Proxy Holder

Affix Revenue Stamp Re. 1/-

Note:

- 1) This form in order to be effective should be dully completed and deposited at the Registered Office of the Company at 12-5-32/8, Bhatukammakunta Vijapuri, South Lallaguda Secunderabad Hyderabad TG 500017 IN 48 hours before the commencement of the meeting.

- 2) Those members who have multiple folios with different joint holders may use copies of this attendance slip/Proxy.
- 3) It is optional to put a "X" in the appropriate column against the Resolution indicated in the box. If you leave the 'For' or 'Against' column blank against the Resolutions, your Proxy will be entitled to vote in the manner as He/ She thinks appropriate.

K&R RAIL ENGINEERING LIMITED
(Formerly known as Axis Rail India Limited)
CIN: L45200TG1983PLC082576
Regd. Office: 12-5-32/8, Bhatukammakunta Vijapuri, South Lallaguda,
Secunderabad Hyderabad TG 500017 IN
ATTENDANCE SLIP
(To be presented at the entrance)
39th ANNUAL GENERAL MEETING ON WEDNESDAY, 30th DAY OF NOVEMBER, 2022 AT 02.00 P.M

Folio Number _____ DPID No. _____ Client ID No. _____

Name of the member _____ Signature _____

Name of the Proxyholder _____ Signature _____

1. Only Member/Proxy holder can attend the meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for the reference at the meeting.