

K&R RAIL ENGINEERING LIMITED

CIN: L45200TG1983PLC082576

**Registered Office : 3rd floor, Sai Krishna, Plot No. 797 A, Road No. 36,
Jubilee Hills, Hyderabad 500033**

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

Fax: +91 40 270001295

ANNEXURE- I

Name of the listed entity/ material subsidiary:	K&R Rail Engineering Limited
Details of Auditors:	
Name	M/s C. Ramachandram & Co.
Address	Plot No 539, Souhiti Samriddhi, 2 nd Floor, Kakatiya Hills, Madhapur, Hyderabad-500081
Phone	040- 42212099
Mail	crcoca@gmail.com
Details of association with the listed entity/ material subsidiary:	Statutory Auditors
Date on which the statutory auditor was appointed:	14 th November, 2023
Date on which the term of the statutory auditor was scheduled to expire:	Conclusion of company's 41 st Annual General Meeting to be held in the Year 2024
Prior to resignation, the latest audit report/limited review report submitted by the auditor and date of its submission.	Not Applicable
Detailed reasons for resignation:	As specified in Resignation Letter
In case of any concerns, efforts made by the auditor prior to resignation (including approaching the Audit Committee/Board of Directors along with the date of communication made to the Audit Committee/Board of Directors)	Not Applicable
In case the information requested by the auditor was not provided , then following shall be disclosed	Engagement is terminated at the stage of Acceptance initiation procedures
Any other facts relevant to the resignation:	-



C. RAMACHANDRAM & CO.
CHARTERED ACCOUNTANTS

Plot No. 539, Souhiti Samriddhi,
2nd Floor, Kakatiya Hills,
Madhapur, Hyderabad - 500 081
Phone : 040-42212099
E-mail : crcoca@gmail.com
Web : www.crcoca.in

To

The Members of Audit committee,
M/s. K & R Rail Engineering Limited
Plot No: 797/A, 3rd Floor,
KR Rail Bhavan, Road No 36,
Jubilee Hills, Hyderabad,
Telangana- 500033.
Email: krrailengg@gmail.com

Subject: Non-acceptance/Resignation letter for appointment as Statutory Auditor for the FY 2023-24

Dear Sir/Madam,

We refer to the Extract of Extraordinary General Meeting (EGM) dated 08th January 2024, which was communicated to us on 02nd February 2024, wherein our firm M/s. C. Ramachandram & Co, Chartered Accountants, Hyderabad was appointed as the Statutory Auditor to fill the casual vacancy of the earlier auditor.

We draw your attention to our email dated 02nd February 2024, wherein we have communicated you that "once we have communicated with the previous auditor and addressed any potential concerns, we will promptly inform you of our decision regarding the appointment. We expect this process to be completed within a reasonable timeframe and anticipate having a definitive answer for you within 15 business days.". Accordingly, we have received No Objection Letter from the previous auditor on 10th February 2024.

As a part of our acceptance initiation procedures, we have visited your office on 12th February 2024 to identify any potential concerns which might affect our decision regarding the appointment. Further during our visit for the said purpose, we have requested more information consisting of around 14 requirements on the same day of our visit to your office. Except for incorporation documents, no other information requested was made available to us. We understand that the Accounts team associated with the company is preoccupied with other related parties of the company, which has hindered the timely provision of information required.



From the stock exchange filings by the company, we have noted that Board Meeting is scheduled on 14th February 2024 (i.e., Today) with an agenda "to consider and approve un-audited Financial results for the quarter ended 31st December 2023 and Limited review report for the quarter ended 31st December 2023".


Further we have noted that Form ADT-1 is not filed.

As the flow of information is not as per the agreed timelines, which is the essence of Audit schedule and also a key factor behind our consent for the audit, we hereby formally convey our non-acceptance/resignation to the appointment as the Statutory Auditor for M/s. K & R Rail Engineering Limited for the FY 2023-24.

Thanking you,

Yours sincerely,

For **C. Ramachandram & Co**
Chartered Accountants
Firm Regn. No: 002864S


Madhusudan Reddy N
Partner
Mem. Regn. No: 241624



Date: 14 February 2024
Place: Hyderabad

Format of information to be obtained from the statutory auditor upon resignation

1. Name of the listed entity/ material subsidiary: K&R Rail Engineering Limited

2. Details of the statutory auditor:

a. Name: **C. RAMACHANDRAM & CO.**, Chartered Accountants

b. Address: Plot # 539, Souhiti Samriddhi, 2nd Floor, Kakatiya Hills, Road # 11, Hyderabad, Telangana-500081, India

c. Phone number: 040-42212099

d. Email: Audit@crcoca.in

3. Details of association with the listed entity/ material subsidiary:

a. Date on which the statutory auditor was appointed:

Extraordinary General Meeting (EGM) dated 08th January 2024, which was communicated to us on 02nd February 2024. Wherein we have communicated the company that “once we have communicated with the previous auditor and *addressed any potential concerns*, we will promptly inform you of *our decision regarding the appointment*. We expect this process to be completed within a reasonable timeframe and anticipate having a definitive answer for you within 15 business days.”. Accordingly, we have received No Objection Letter from the previous auditor on 10th February 2024.

As a part of our acceptance initiation procedures, we have visited company’s office on 12th February 2024 to identify any potential concerns which might affect our decision regarding the appointment. Further during our visit for the said purpose, we have requested more information consisting of around 14 requirements on the same day of our visit to your office. Except for incorporation documents, no other information requested was made available to us. We understand that the Accounts team associated with the company is preoccupied with other related parties of the company, which has hindered the timely provision of information required.

From the stock exchange filings by the company, we have noted that Board Meeting is scheduled on 14th February 2024 (i.e., Today) with an agenda “to consider and approve unaudited Financial results for the quarter ended 31st December 2023 and Limited review report for the quarter ended 31st December 2023”.

Further we have noted that Form ADT-1 is not filed.

b. Date on which the term of the statutory auditor was scheduled to expire:

Conclusion of company’s 41st Annual General Meeting to be held in the year 2024. However, Form ADT-1 is not filed.

c. Prior to resignation, the latest audit report/limited review report submitted by the auditor and date of its submission: Not Applicable since appointed on 10th February 2024 as detailed above.



4. Detailed reasons for resignation:

We were appointed in Extraordinary General Meeting (EGM) dated 08th January 2024, which was communicated to us on 02nd February 2024. Wherein we have communicated the company that "once we have communicated with the previous auditor and addressed any potential concerns, we will promptly inform you of our decision regarding the appointment. We expect this process to be completed within a reasonable timeframe and anticipate having a definitive answer for you within 15 business days.". Accordingly, we have received No Objection Letter from the previous auditor on 10th February 2024.

As a part of our acceptance initiation procedures, we have visited company's office on 12th February 2024 to identify any potential concerns which might affect our decision regarding the appointment. Further during our visit for the said purpose, we have requested more information consisting of around 14 requirements on the same day of our visit to your office. Except for incorporation documents, no other information requested was made available to us. We understand that the Accounts team associated with the company is preoccupied with other related parties of the company, which has hindered the timely provision of information required.

From the stock exchange filings by the company, we have noted that Board Meeting is scheduled on 14th February 2024 (i.e., Today) with an agenda "to consider and approve un-audited Financial results for the quarter ended 31st December 2023 and Limited review report for the quarter ended 31st December 2023".

Further we have noted that Form ADT-1 is not filed.

5. In case of any concerns, efforts made by the auditor prior to resignation (including approaching the Audit Committee/Board of Directors along with the date of communication made to the Audit Committee/Board of Directors): *Not Applicable*

6. In case the information requested by the auditor was not provided, then following shall be disclosed: *Engagement is terminated at the stage of Acceptance initiation procedures.*

a. Whether the inability to obtain sufficient appropriate audit evidence was due to a management-imposed limitation or circumstances beyond the control of the management: *Not Applicable*

b. Whether the lack of information would have significant impact on the financial statements/results: *Not Applicable*

c. Whether the auditor has performed alternative procedures to obtain appropriate evidence for the purposes of audit/limited review as laid down in SA 705 (Revised): *Not Applicable*

d. Whether the lack of information was prevalent in the previous reported financial statements/results. If yes, on what basis the previous audit/limited review reports were issued.: *Not Applicable*



7. Any other facts relevant to the resignation:

Declaration:

1. We hereby confirm that the information given in this letter and its attachments is correct and complete.
2. We hereby confirm that there is no other material reason other than those provided above for my resignation/ resignation of my firm

For **C. RAMACHANDRAM & Co.,**
Chartered Accountants,
Firm Registration No. 002864S

N. Reddy

MADHUSUDAN REDDY N
Partner
M.No:241624



Place: Hyderabad
Date: 14th February 2024