



### Independent Auditors Report

To the Members of  
Richa Industries Limited

### Report on the Standalone Financial Statement

#### 1. Corporate Insolvency Proceedings as per Insolvency and Bankruptcy Code, 2016 (IBC)

The Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT") by an order dated 18.12.2018 admitted the Corporate Insolvency Resolution Process application filed against **Richa Industries Limited** by an operational creditor and appointed Mr. Arvind Kumar as an Interim Resolution Professional (IRP) in terms of the Insolvency and Bankruptcy Code, 2016 ("Code") to manage the affairs of the company as per the provisions of the code. Further, the committee of creditors constituted during CIRP has confirmed the appointment of Mr. Arvind Kumar as the resolution professional ("RP") on 17-01-2019 for the company. In view of ongoing CIRP and suspension of powers of Board of Directors and as explained to us, the powers of adoption of this standalone Financials Statements vests with the RP under Insolvency and Bankruptcy Code, 2016.

#### 2. Qualified Opinion

We have audited the accompanying Standalone Financial Statements of Richa Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (here in refer to as "Standalone Financial Statement").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in para 3(a) to 3(m) in the basis for qualified opinion, 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit (or Loss) and cash flows for the year ended on that date.

#### 3. Basis for Qualified Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules

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made there under, 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 we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements. We refer to the following notes to standalone financial statements:

- a. During the year, the Company has incurred a Net Loss of Rs. 19.70 Crore resulting into accumulated losses of Rs. 317.97 Crore and erosion of its Net worth as at March 31, 2023. The Company has obligations towards fund-based borrowings aggregating to Rs. 270.16 Crore and operational creditors and statutory dues, subject to reconciliation/verification that have been demanded/recalled by the financial/operating creditors pursuant to ongoing Corporate Insolvency Resolution Process (CIRP). These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any, on the accompanying standalone financial statements.
- b. The Company has been unable to conclude with the Resolution Plan and also the liquidation process request has been submitted before Hon'ble NCLT which is pending as on the date of audit. This situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The financial statements do not adequately disclose this matter.
- c. In view of the significant losses which have been incurred by the company during the previous financial years, the carrying value of certain fixed assets needs to be tested for impairment. The management has not done the impairment testing and in absence of any information, we are unable to comment as to whether any provision for impairment is required or not
- d. In connection with the existence of material uncertainties over the realizability of trade receivables and Security Deposit amount aggregating to Rs. 73.64 Crore included in financial and other assets which are past due subject to confirmation and reconciliation. The management is yet to assess the change in risk of default and resultant expected credit loss allowance on such assets.
- e. The Inventory valuing Rs. 5.59 Crore comprises of raw material, stock of work in progress, semi-finished goods including recovery stock and material at shop floor and Net Fixed Assets valuing Rs. 93.77 Crore was neither Physical verification nor valued by us. The quantity and valuation as provided by Management / Resolution Professional has been accepted without any further verification / valuation. Any deviation in the same may affect the Financial Position and / or Financial Performance of the Company, to the extent.
- f. In respect of various claims, submitted by the financial creditors (including claims towards fund based and non-fund based exposure and claims on behalf of subsidiary companies and other parties) , operational creditors, workmen or employee and authorized representative of workmen and employees of the



Company to Resolution Professional pursuant to the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulation 2016, that are currently under consideration/reconciliation. Pending reconciliation/admission of such claims by the RP, we are unable to comment on the consequential impact, if any, on the accompanying statement.

- g. The company has not made any provision for gratuity and leave encashment for the current financial year and no actuarial valuation report has been taken, the impact on loss for the year on account of such previous provision is not ascertainable and relevant disclosures have not been given. This is not in compliance with AS-15 Employee Benefits.
- h. The GST returns i.e. GSTR-1, GSTR-3B, GSTR-2A are subject to reconciliation with books of accounts.
- i. The accompanying statements are in compliance to Indian Accounting Standards ('IND AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued there under. The same have been adopted from 01-04-2021.
- j. The company has not appointed Internal Auditor as required by section 138 of the Companies Act, 2013.
- k. The company has not deposited statutory liabilities on time with concerned Government authorities under various Acts before commencement of CIRP during the FY 2022-23. It has also not provided for interest/penalty for such default.
- l. In connection with the existence of material uncertainties over the balances of trade payables and other current liabilities amount aggregating to Rs. 67.16 Crore included in financial statements are subject to reconciliation.
- m. The company had made payments to various vendors for supply of machinery in the financial year 2020-2021. However, the company is still to receive the machineries against the same. Details of the same are given below.

S. No.	Party name	Amount (in Rs.)
1	Parmod Lohia	2,00,000
2	Rishi HP CE	23,51,370
3	Yogesh Kumar	3,00,000
4	D-Knot Wires	1,52,71,859

#### 4. 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.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b><i>Accuracy Evaluation of claims submitted by Financial Creditors, Employees &amp; Operational Creditors</i></b></p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <p>Pursuant to the commencement of Corporate Insolvency Resolution Process of the Company (CIRP) under Insolvency and Bankruptcy Code, 2016 (IBC), various claims have been submitted by operational creditors, financial creditors, employee and others against the Company. The amount of trade and other payables are independent of the claims filed by creditors and admitted by the RP.</p>
2	<p><b><i>Evaluation of uncertain tax positions</i></b></p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Obtained details of completed tax assessments and demands for the year ended March 31, 2023 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.</p> <p>Additionally, we considered the effect of new information in respect of uncertain tax positions to evaluate whether any change was required to management's position on these uncertainties.</p>
3	<p><b><i>Recoverability of Indirect tax receivables</i></b></p> <p>As at March 31, 2023, non-current assets in respect of withholding tax and others includes Income Tax recoverable which are past due subject to reconciliation.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>We have involved our internal experts to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution. The management is yet to assess the change in risk of default and resultant expected credit loss allowance on such assets.</p>



4.	<p><b><i>Accuracy Evaluation of Inventory Positions</i></b></p> <p>Estimated effort is a critical estimate to determine liability for onerous obligations</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>i. We have evaluated the design of internal control relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations.</li> <li>ii. we have in respect Non-availability of Physical verification and market value of inventory of Raw Material, Work in progress and Finished goods etc. and in the absence of corroborative evidence, we unable to comment on the extent to which such balances are recoverable.</li> <li>iii. Valuation obtained by the RP under I&amp;BC is confidential and cannot be shared except as per the provisions of the I&amp;B code 2016.</li> </ul>
5.	<p><b><i>Accuracy Evaluation of property, Plant and Equipments</i></b></p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>i. We have evaluated the design of internal control relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations.</li> <li>ii. we have in respect Non-availability of Physical verification and market value of property, plant and equipment etc. and in the absence of corroborative evidence, we unable to comment on the extent to which such balances are recoverable.</li> <li>iii. Valuation obtained by the RP under I&amp;BC is confidential and cannot be shared except as per the provisions of the I&amp;B code 2016.</li> </ul>



6.	<b>Accuracy Evaluation of Trade Receivables</b>	<b>Principal Audit Procedures</b>
		<p>We have evaluated the design of internal control relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. In respect Non-availability of Reconciliation and confirmations of balances from the trade receivables and In the absence of corroborative evidence, we unable to comment on the extent to which such balances are recoverable.</p>

## 5. Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the 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.

The Company's financial statements have been prepared using the going concern basis of accounting. Management is responsible for assessing the Company's ability to continue as a going concern, including whether the use of the going concern basis of accounting is appropriate. The use of the going concern basis of accounting is appropriate unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. Management is also responsible for disclosing [in the financial statements] a material uncertainty of which management becomes aware related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

As part of our audit, we conclude regarding the appropriateness of management's use of the going concern basis of accounting in the preparation of the financial statements in the context of the applicable financial reporting framework. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial statements about the material uncertainty or, if such



disclosures are inadequate, to modify the opinion on the financial statements. Our conclusions are based on information available to us at the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

## **6. Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder.

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 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 are responsible for overseeing the Company's financial reporting process. However, Pursuant to ongoing Corporate Insolvency Resolution Process (CIRP) powers of the Board of Directors have been suspended and these Powers are now vested with Resolution Professional (RP).

## **7. Auditors' Responsibility**

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

**8. Emphasis of matters** Attention is invited to:

- a. In respect of Income tax notices received by the company from the Income Tax department and these cases are still under dispute.
- b. In respect of Notices received by the company from Various Labor acts.
- c. As per the insolvency and bankruptcy code. 2016 ("insolvency code"), the RP receives, collect, and admit all the claim submitted by the creditor (Operational, Financial & Other), employee & workmen of the company, and Govt. Authorities. Such claim can be submitted to the RP during the CIRP, till the approval of a resolution plan by COC. The impact of such admitted or rejected claims, if any, has not been considered in the preparation of the Financial Statements.
- d. Attention is invited on the Financial Statement wherein the management has stated that the Company was under CIRP Proceedings and on dated 01.07.2019, a Resolution plan was presented to COC which is subsequently rejected by COC on dated 03.09.2019. Further, The Company has communicated the rejection of Resolution Plan to Hon'ble NCLT on dated 03.09.2019 and also filed an application for liquidation of corporate debtor before Hon'ble NCLT on dated 12.09.2019. Since the CIRP Process, w.r.t. resolution plan, have been rejected by COC and liquidation request has also been submitted before Hon'ble NCLT.
- e. Information is not available regarding classification of creditors into Micro, Small and Medium enterprises as required under the Micro, Small and Medium enterprises Development Act 2006. The Financial Impact of this Non-Compliance, if any could not be determined

**9. Report on Other Legal and Regulatory Requirements**

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



2 As required by section 143 (3) of the Act, we report that:

- a) We have sought and except for the effects/possible effects of the matters described under "Basis for qualified opinion" paragraph, have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) Except for the effects/possible effects of matters described in the "Basis for qualified opinion" paragraph, in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, except for the effects/ possible effects of the matters described in the "Basis for qualified opinion" paragraph, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) The matters described under "Basis for Qualified Opinion" and "Emphasis of Matters" paragraph, in our opinion, may have an adverse effect on the functioning of the Company.
- f) The qualification relating to the maintenance of accounts and other matters connected there with are as stated in the basis for Qualified Opinion paragraph;
- g) 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 B". Our report expresses a qualified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting.
- 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, in our opinion and to the best of our information and according to the information and explanations given to us:
  - I. The Company has disclosed the impact of pending litigations on its financial position to the extent ascertained, in its standalone financial statements;
  - II. Except for the effects/possible effects of matters described under basis of qualified opinion paragraph, the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company did not have any derivative contracts;





III. There has been no delay in transferring the amounts that were due to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023;

**For Sri Prakash & Co  
Chartered Accountants  
FRN: 002058C**

**CA Punit Kumar  
M. No.522295  
Date: 20-Sep-2023  
Place: Baddi  
UDIN : 23522295BGVIJY8612**



## **"Annexure A" to the Independent Auditors' Report**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2023:

- I. (a) As confirmed by the management, the Company is maintaining records showing full particulars including quantitative details. The records are up to date as on 31st March, 2023.  
(b) As confirmed by the RP, he has taken physical possession of the assets, based on the records of the company, upon his appointment. The valuation of the Fixed Assets, undertaken by the Management / Resolution Professional at its own, has been accepted as such, without further verification. Any variation may affect the financial position and financial performance to the extent.  
(c.) The title deeds of the immoveable properties are held in the name of the Company, but the beneficiary interest lies with the bankers / lenders, with whom the same are mortgaged as security.
- II. The inventory amounting to Rs. 5.59 Crore including stocks with certain third parties. The valuation of the stocks is undertaken by the Management / Resolution Professional at its own, which has been accepted as such, without further verification. Any variation may affect the financial position and financial performance to the extent.
- III. The Company had granted interest free unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect the same:  
(a) the unsecured loan has been given without specifying any terms and conditions and hence further comments can't be given  
(b) the schedule of repayment of principal and payment of interest has not been specified, hence further comments can't be given.  
Further the Company has not granted any secured loans to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence the clauses (a), (b) of Para 3(iii) of the order are not applicable. The company has however extended corporate guaranties to secure the payment of suppliers of material, sub-contractors and Non-banking financial companies.
- IV. According to the information and explanations given to us, the Company has not accepted any deposits during the year within the meaning of Sections 73 to 76 of the Companies Act, 2013, and the rules framed there under to the extent notified.
- V. We have broadly reviewed the books of account maintained by the Company in respect of products where pursuant to the rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of Section 148 of the Act. And are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.



VI. (a) According to information and explanations given to us and records of the Company examined by us, the Company has not been regular in depositing undisputed statutory dues in respect of provident fund, employee's state insurance, income-tax, GST, duty of excise, value added tax and cess and any other statutory dues with the appropriate authorities. There have been significant delays in a large number of cases in depositing these dues with the appropriate authorities.

viii In our opinion and according to the information and explanations given to us and as confirmed by management, the company has defaulted in repayment of dues to a financial institutions & banks as all the credit facilities from most of banks/financial institutions of the company have already been classified as NPA the entire amount of borrowing including interest are overdue and continuing default as on March 31, 2023.

ix According to the information and explanations given to us, the Company, during the year, has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans have been applied by the Company during the year for the purposes for which they were obtained.

x During the course of examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to information & explanation given to us, we have neither come across any instance of fraud by the company or on the Company by its officers or employees noticed or reported during the year nor we have been informed of any such case by the Management.

xi According to the information and explanations given to us and based on the audit procedures conducted by us, company has not paid the managerial remuneration during the FY 2022-23.

xii In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Therefore, the provisions of Para 3 (xii) of the Order are not applicable to the Company.

xiii In our opinion and according to the information and explanations given to us, we are unable to obtain sufficient and appropriate audit evidence to comment whether all transactions with the related parties in the financial statements are in compliance with section 177 and 188 of Companies Act, 2013. Further, where applicable the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

xiv According to the information and explanations given to us, the Company has not made any preferential allotment. Accordingly, provisions of para 3 (xiv) of the order are not applicable to the Company.

xv According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with them. The provisions of clause 3 (XV) of the Order are not applicable to the company.



xvi In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For Sri Prakash & Co  
Chartered Accountants  
FRN: 002058C

CA Punit Kumar  
M. No.522295



Date: 20-Sep-2023

Place: Baddi

**Annexure "B" to the Independent Auditors' Report of even date on the Standalone Financial Statements of Richa Industries Limited**

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

We have audited the internal financial controls over financial reporting of **Richa Industries Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls.

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 qualified audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Basis for Qualified Opinion**

In our opinion and according to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2023:

The Company did not have appropriate internal financial controls over

(a) Assessment of expected credit loss/loss allowance of trade receivables and withheld amounts which are subject matters of various disputes /arbitration proceedings/ negotiations with the customers and other disputes. .

The inadequate supervisory and review control over Company's process in respect of aforesaid assessment in accordance with the accounting principles generally accepted in India could potentially result in a material misstatement in Preparation and presentation of financial statement including the profit/loss after tax.



A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

#### **Qualified opinion**

In our opinion, except for the possible effects of material weaknesses described in "basis of qualified opinion" paragraph above, 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, 2023, 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended on March 31, 2023, and these material weaknesses have affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

**For Sri Prakash & Co  
Chartered Accountants  
FRN: 002058C**

CA Punit Kumar  
M. No.522295

Date: 20-Sep-2023  
Place: Baddi



**Part I : Balance Sheet (Standalone)**

**RICHA INDUSTRIES LIMITED [CIN : L17115HR1993PLC032108]**

**Balance Sheet as at 31st March , 2023**

Sl. No.	Particulars	Note No.	(Rupees in Lakhs)	
			Figures as at the end of the current reporting period 31.03.2023	Figures as at the end of the current reporting period 31.03.2022
<b>I</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	3	19,853.26	19,845.63
	(b) Capital work-in-progress		-	
	(e) Intangible assets	4	201.88	201.88
	(h) Financial Assets:			
	(i) Investments	5	0.51	0.51
	(ii) Trade receivables	6		-
	(iii) Loans	7		
	(iv) Deposits in Bank and unclaimed dividend	8	131.70	125.64
	(i) Deferred tax assets (net)	9		
	(j) Other non-current assets	10	1,937.74	2,040.09
		<b>Sub-total (1)</b>	<b>22,125.09</b>	<b>22,213.75</b>
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	11	558.91	668.50
	(b) Financial Assets			
	(i) Investments			
	(ii) Trade receivables	12	4,999.38	4,650.28
	(iii) Cash and cash equivalents	13	31.89	28.40
	(iv) Bank balances other than (iii) above	14	35.23	33.65
	(v) Loans and advances	15	430.99	487.62
	(vi) Others (to be specified)	16	6.62	9.15
	(c) Current Tax Assets (Net)	17		
	(d) Other current assets			
		<b>Sub-total (2)</b>	<b>6,063.03</b>	<b>5,877.59</b>
	<b>TOTAL ASSETS</b>		<b>28,188.12</b>	<b>28,091.34</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
	Equity			
	(a) Equity Share capital	18	2,351.69	2,351.69
	(b) Other Equity		-31,797.20	-29,826.30
		<b>Sub-total (II)</b>	<b>-29,445.51</b>	<b>-27,474.61</b>
<b>III</b>	<b>Liabilities</b>			
<b>1</b>	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	19	10,992.21	11,019.36
	(ii) Trade Payables:-	20		
	(A) total outstanding dues of micro enterprises and small enterprises; and			
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.			
	(iii) Other financial liabilities (other than those specified in item (b), to be specified)			
	(b) Other Financial Liabilities	21	81.48	81.48
	(b) Provisions	22	10,801.82	10,114.71
	(c) Deferred tax liabilities (Net)	23	1,652.47	1,652.47
	(d) Other non-current liabilities	24		-
		<b>Sub-total (1)</b>	<b>23,527.99</b>	<b>22,868.02</b>




<b>2</b>	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	25	27,016.09	25,777.36
	(ii) Trade Payables:-			
	(A) total outstanding dues of micro enterprises and small enterprises; and			
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	26	2,791.79	2,689.68
	iii) Other financial liabilities (other than those specified in item (c) )			
	(b) Other current liabilities	27	3,924.58	3,842.76
	(c) Provisions	28	373.18	388.13
	<b>Sub-total (2)</b>		<b>34,105.64</b>	<b>32,697.93</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>28,188.12</b>	<b>28,091.34</b>

As per our report of even date attached

On Behalf of the Board of Directors

For Sri Prakash & Co  
Chartered Accountants  
(Firm Registration Number 002058C)

For Richa Industries Limited

(CA Punit Kumar)  
Partner  
Membership No. 522295

  
Arvind Kumar  
Resolution Professional  
IRP No: IBBI/IPA-001/IP-P00178/2017-18/10357

Place: Baddi  
Date: 20-09-2023

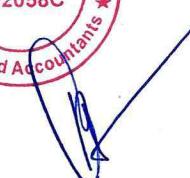


**Part II : Statement of Profit and Loss**

**RICHA INDUSTRIES LIMITED [CIN : L17115HR1993PLC032108]**  
**Statement of Profit and Loss for the period ended 31st March, 2023**

Sl. No.	Particulars	Note No.	Figures as at the	Figures as at the
			end of the current reporting period 31.03.2023	end of the current reporting period 31.03.2022
I	<b>Revenue From operations</b>	29	<b>2,553.27</b>	<b>3,666.96</b>
II	<b>Other Income</b>	30	<b>17.40</b>	<b>13.52</b>
III			<b>Total Income (I+II)</b>	<b>2,570.67</b>
IV	<b>EXPENSES</b>			
	Cost of materials consumed	31	1,270.66	1,800.90
	Purchases of Stock-in-Trade			
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	32	109.59	17.42
	Employee benefits expense	33	617.85	673.66
	Other expenses	34	737.28	1,566.12
	Finance costs	36	1,119.09	2,209.85
	Depreciation and amortization expenses	37	687.12	840.96
			<b>Total expenses (IV)</b>	<b>4,541.57</b>
V	<b>Profit/(loss) before exceptional items and tax (III-IV)</b>		<b>-1,970.90</b>	<b>-3,428.42</b>
VI	<b>Exceptional/ Extraordinary Items</b>	39	-	26.48
VII	<b>Profit/ (loss) before exceptions items and tax(V-VI)</b>		<b>-1,970.90</b>	<b>-3,454.90</b>
VIII	<b>Tax expense:</b>		-	-
	(1) Current tax		-	-
	(2) Deferred tax		-	-
IX	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>-1,970.90</b>	<b>-3,454.90</b>
X	<b>Profit/(loss) from discontinued operations</b>		-	-
XI	<b>Tax expenses of discontinued operations</b>		-	-
XII	<b>Profit/(loss) from Discontinued operations (after tax) (X-XI)</b>		-	-
XIII			<b>Profit/(loss) for the period (IX+XII)</b>	<b>-1,970.90</b>
XIV	<b>Other Comprehensive Income</b>			-
	A. (i) Items that will not be reclassified to profit or loss	38		957.78
	(ii) Income tax relating to items that will not be reclassified to profit or loss	38		287.33
			<b>Sub-total (A)</b>	<b>670.45</b>
	B. (i) Items that will be reclassified to profit or loss			-
	(ii) Income tax relating to items that will be reclassified to profit or loss			-
			<b>Sub-total (B)</b>	<b>-</b>
			<b>Total Other Comprehensive Income (XIV i.e. A+B)</b>	<b>670.45</b>
XV	<b>Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other comprehensive Income for the period )</b>		<b>-1,970.90</b>	<b>-2,784.46</b>





XVI	Earnings per equity share in INR (for discontinued operation):			
	(1) Basic			
	(2) Diluted			
XVII	Earnings per equity share in INR (for discontinued & continuing operation)			
	(1) Basic		-8.41	-11.88
	(2) Diluted		-8.41	-11.88

As per our report of even date attached

On Behalf of the Board of Directors

For Sri Prakash & Co  
Chartered Accountants  
(Firm Registration Number 002058C)

For Richa Industries Limited

(CA Punit Kumar)  
Partner  
Membership No. 522295

  
Arvind Kumar  
Resolution Professional  
IRP No: IBBI/IPA-001/IP-P00178/2017-18/10357

Place: Baddi  
Date: 20-09-2023



## Statement of Cash flow

for the year ended 31.03.2023

Particulars	2022-23
<b>A. Cash Flow from Operating Activities</b>	
Profit for the year (Before Tax)	-1,970.90
Adjustment for	
Depreciation and Amortisation	687.12
Bad Debts & LD written off and unrealised gain/loss	-
Dividend Income	
Finance Income	15.89
Profit/Loss on disposal of property, plant and equipment	
Finance cost (including unwinding of interest)	1,119.09
Fair value adjustment	
Provisions (Net)	
<b>Operating Profit before Working Capital changes</b>	<b>-180.59</b>
Adjustment for	
Trade Receivables	-349.10
Financial Assets- Loans & others	53.10
Other Assets	102.35
Inventories	109.59
Trade Payable	102.11
Other financial liabilities	-
Other liabilities & provisions	66.87
<b>Cash generated from operations</b>	<b>-95.68</b>
Direct Taxes Paid (Net of refund)	0
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>	<b>-95.68</b>
<b>B. Cash Flow from Investing Activities</b>	
Redemption/maturity of bank deposits	-1.59
Purchase of property, plant and equipment	-7.63
Proceeds from Sale of property, plant and equipment	
Investments	-
Investment in Subsidiary & Joint Ventures (net)	
Interest & Dividend income	15.89
<b>Net Cash used in Investing Activities</b>	<b>6.67</b>
<b>C. Cash Flow from Financing Activities</b>	
Proceeds/Repayment of Short term & Long term Borrowings	1,211.58
Dividend Paid (including tax on dividend)	
Finance cost	-1,119.09
<b>Net Cash used in Financing Activities</b>	<b>92.50</b>
	<b>3.49</b>
<b>D. Net Increase/(Decrease) in Cash and Cash Equivalents</b>	
Opening Balance of Cash and Cash Equivalents	28.40
Closing Balance of Cash and Cash Equivalents (Refer Note no.12 & 13)	31.89

**Note:**

1 : Cash & Cash Equivalents consists of cash and bank balance.

2 : Previous year's figures have been regrouped/rearranged wherever necessary.

3 : Cash & Cash Equivalents includes H 3.10 Crore (previous year H 3.27 Crore) unclaimed dividend lying in designated bank accounts.



STATEMENT OF CHANGES IN EQUITY (SOCE)

RICHA INDUSTRIES LIMITED [CIN : L17115HR1993PLC032108]

Balance Sheet as at 31st March, 2023  
Plot No. 29, DLF Industrial Area, Phase - II, Faridabad, Haryana (India) - 121002

A. Equity Share Capital

	Number of shares	Share capital (Rs. in lakhs)
2022-23	2021-22	2022-23
23430000	23430000	2,351.69
0	0	0
		2,351.69

B. Other Equity

	Reserves and Surplus		Other Items of Other Comprehensive Income	
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings
Opening Balance as at 01.04.2022 (as per Ind AS)	12.15	2,234.49	32.48	32,040.43
Add/(less) Total Comprehensive Income for the year				83.01
Less : Transfer to General reserve				-1,370.90
Balance as at 31 March, 2023 (as per Ind AS)	12.15	2,234.49	32.48	34,915.33
				83.01
				-31,797.20

(1) For the year ended 31st March 2023

	Reserves and Surplus		Other Items of Other Comprehensive Income	
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings
Opening Balance as at 01.04.2022 (as per Ind AS)	12.15	2,234.49	84.98	-29,619.42
Add/(less) Total Comprehensive Income for the year			20.62	-3,454.90
Less : Transfer to general reserve			73.11	670.45
Balance as at 31 March, 2023 (as per Ind AS)	12.15	2,234.49	32.48	-33,074.32
				-670.45
				-30,124.75

(2) For the year ended 31st March 2023

	Reserves and Surplus		Other Items of Other Comprehensive Income	
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings
Opening Balance as at 01.04.2022 (as per Ind AS)	12.15	2,234.49	214.87	-25,000.06
Add/(less) Total Comprehensive Income for the year			-129.89	-4,153.36
Less : Transfer to general reserve				168.56
Balance as at 31 March, 2023 (as per Ind AS)	12.15	2,234.49	84.98	-29,619.42
				168.56
				-27,119.23

(3) As at transition date 1st April, 2020

	Reserves and Surplus		Other Items of Other Comprehensive Income	
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings
Balance as at 31.03.2020 (as per IGAAP)	12.15	2,234.49	214.87	-25,356.34
Add/(less) Transition impact due to Ind AS adjustment				356.28
Less : Transfer to general reserve				
Balance as at 01.04.2021 (as per Ind AS)	12.15	2,234.49	214.87	-25,000.06
				-22,558.54
				336.28
				-22,894.82



*[Signature]*

**Note 3 - Non-current assets****Property, plant and equipment**

Refer point 2 of Note [2] for accounting policy on property, plant and equipment (PPE)

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Gross block	19853.26	18,138.08
Less: Accumulated depreciation	10476.38	9,789.37
Net block (details refer to note 3.1)	9376.89	8,348.71

Company has opted exemption under Ind AS 101, and accordingly carrying value as on 31.03.2020 has been considered as deemed cost except for

**Note 4 - Non-current assets****Intangible assets**

Refer point 4 of Note [2] for accounting policy on intangible assets

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Gross block	201.88	201.88
Less: Accumulated depreciation	193.21	193.10
Net block (details refer to note 3.1)	8.67	8.78

Company has opted exemption under Ind AS 101, and accordingly carrying value as on 31.03.2020 has been considered as deemed cost.

Disclosures as per Ind AS 38 has been given in notes to accounts.

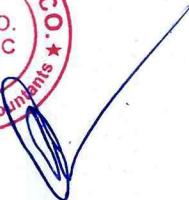
**Note 5 - Non-current assets****Financial Assets - Investments (Non- Current)**

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Investment in Equity Instruments of M/s Richa Krishna Constructions Pvt. Ltd. (5100 nos. Equity shares, Face value of Rs.10 each)	0.51	0.51
#Subsidiaries Companies (Unquoted)		
<b>Total</b>	<b>0.51</b>	<b>0.51</b>

**Note 6 - Non-current assets****Financial Assets -Trade Receivables (Non-Current)**

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Trade Receivables		
Less: Allowances for bad & doubtful debts		-
Less :Automatic price reduction adjustment		-
<b>Net Trade Receivables</b>		-
<b>Sub classification:</b>		
Secured, considered good		
Unsecured, considered good		-
Doubtful		
Non Current Trade receivables include deferred debts (net of provisions)		
Non Current trade receivables include valuation adjustment		
Due from Directors		
Due from Officers		





**Note no. 7 - Non-current assets**  
**Financial Assets - Loans (Non-Current)**

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Loans to employees		
Loans to others		
Interest accrued and due on loans		
Less: Allowances for bad & doubtful loans		
<b>Sub classification:-</b>		
Secured, considered good		
Unsecured, considered good		
Doubtful		
<b>Security Deposits</b>		
Balance with port trust & others		
Deposits others		
Less: Allowances for bad & doubtful deposits		
<b>Sub classification:-</b>		
Secured, considered good		
Unsecured, considered good		
Doubtful		
<b>Includes:</b>		
Due from Directors		
Due from Officers		

**Note no. 8 - Non-current assets**  
**Financial Assets - Others (Non-Current)**

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Fixed Deposits more than 12 months maturity period	130.45	124.39
Earmarked Balances with Banks (unclaimed dividend)	1.25	1.25
Rent Receivables on leased Assets		
Security Deposits		
<b>Total</b>	<b>131.70</b>	<b>125.64</b>

**Note no. 9**  
**Deferred tax assets (Net)**

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Provisions		
Statutory dues		
Depreciations		
Others		


**Note no. 10**  
Other non-current assets

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Capital advance		
Advances for purchases		
Others		
Less: Allowances for bad & doubtful advances		
<b>Security Deposits</b>		
Balance with customs and other Govt Authorities	1937.74	2,040.09
Deposits Others		
Less: Allowances for bad & doubtful deposits		
<b>Includes:</b>		
Due from Directors		
Due from Officers		
<b>Total</b>	<b>1,937.74</b>	<b>2,040.09</b>

**Note no. 11**  
Inventories

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
(a) Raw Materials	304.84	345.57
(b) Work in Progress	121.03	247.69
(c) Finished goods	74.48	60.80
(d) Stores & Spares	58.56	14.44
<b>Total</b>	<b>558.91</b>	<b>668.50</b>

**Note no. 12**  
Financial Assets -Trade receivables (Current)

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Trade Receivables	4999.38	4,650.28
Less: Allowances for bad & doubtful debts		
Less :Automatic price reduction adjustment		
<b>Net Trade Receivables</b>	<b>4,999.38</b>	<b>4,650.28</b>
<b>Sub classification:</b>		
Secured, considered good		
Unsecured, considered good	4,999.38	4,650.28
Doubtful		
Non Current Trade receivables include deferred debts (net of provisions)		
Non Current trade receivables include valuation adjustment		
Due from Directors		
Due from Officers		

**Note no. 13**  
Financial Assets - Cash & Cash Equivalents (Current)

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
<b>Cash &amp; cash equivalents</b>		
Balances with Banks	30.58	26.60
Cash in Hand	1.31	1.80
Corporate liquid term deposits		
Remittances in transit		
Deposits having maturity 3 month or less	31.89	28.40



**Note no. 14****Financial Assets - Bank Balances other than above - (Current)**

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Deposits having maturity more than 3 months but not more than 12 months	35.23	33.65

**Note no. 15****Financial Assets - Loans & advances (Current)**

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Loans to employees	3.18	4.39
Loans to others		
Interest accrued and due on loans		
Advances to Suppliers / Others	397.07	453.21
Less: Allowances for bad & doubtful loans		
<b>Sub classification:-</b>		
Secured, considered good		
Unsecured, considered good	400.25	457.59
Doubtful		
<b>Security Deposits</b>		
Balance with port trust & others		
Deposits others	30.74	30.03
Less: Allowances for bad & doubtful deposits		
<b>Sub classification:-</b>		
Secured, considered good		
Unsecured, considered good	30.74	30.03
Doubtful		
<b>Includes:</b>		
Due from Directors		
Due from Officers		
<b>Total</b>	<b>430.99</b>	<b>487.62</b>

**Note no. 16****Financial Assets -Others (Current)**

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Interest Accrued on Banks Deposits and investments		
Prepaid Expenses	6.62	9.15
Advance to employees		
Less Allowances for bad & doubtful advances		
<b>Includes:</b>		
Due from Directors		
Due from Officers		
<b>Total</b>	<b>6.62</b>	<b>9.15</b>





Note no. 17  
Current Tax Assets (Net)

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Advance Tax & TDS		
Provision for Taxation		

Note no. 18  
Share Capital

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
<b>Equity Share capital</b>		
Authorised	3,000.00	3,000.00
Issued, Subscribed & Paid up Capital	2351.69	2,351.69
		-
<b>a) The reconciliation of the number of equity shares outstanding is set out below:</b>		-
Shares outstanding at the beginning of the year	2351.69	2,351.69
Shares bought back during the year		-
Shares outstanding at the end of the year	2,351.69	2,351.69
		-
<b>b) Details of shares held by shareholders holding more than 5% shares at the year end</b>		-
Richa Holdings Limited (32.53%)		762.12
		-
<b>c) Terms / rights attached to the equity shares:</b>		

Note no. 19  
Financial Liabilities - Borrowings (Non-Current)

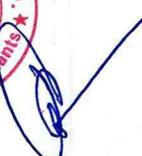
Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
<b>Secured</b>		
Long term maturities of finance lease obligations		
Long Term Borrowings		
a) Banks	8,785.35	8,819.73
b) Others	82.12	82.12
Sub-Total (Secured)	8,867.47	8,901.86
<b>Unsecured</b>		
Long term maturities of finance lease obligations		-
Loans and Advances from Related parties		-
-Richa Building Systems Private Limited	701.87	701.87
-Richa Holdings Limited	412.34	405.10
From other Parties		-
NON-Convertible Debentures	1,010.53	1,010.53
Sub-Total (Unsecured)	2,124.74	2,117.50
Total	10,992.21	11,019.36

Note no. 20  
Financial Liabilities - Trade payables (Non-Current)

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022







**Note no. 21**  
**Other financial liabilities (Non-Current)**

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
<b>Other Long term Liabilities</b>		
(a) Securities pending adjustment / refundable	81.48	81.48
(b) Others		-
<b>Total</b>	<b>81.48</b>	<b>81.48</b>

**Note no. 22**  
**Provisions (Non-Current)**

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
<b>Long Term Provisions</b>		
(a) Provision for employee benefit*		
—Provision for Gratuity	91.11	91.11
—Provision for Leave Encashment	41.13	41.13
(b) others		-
—Accumulated Depreciation	10669.58	9,982.47
<b>Total</b>	<b>10,801.82</b>	<b>10,114.71</b>

**Note no. 23**  
**Deferred Tax Liability (Net)**

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
<b>Deferred Tax Liability</b>	<b>1,652.47</b>	<b>1,652.47</b>

**Note no. 24**  
**Other Liabilities (Non-Current)**

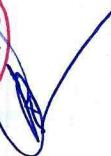
Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022

**Note no. 25**  
**Financial Liabilities - Borrowings (Current)**

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
<b>Short Term Borrowings</b>		
Secured loan		
(a) Loans repayable on demand		
—From Banks	13,698.16	13,704.31
—From Banks - Vehicle Loan	-	-
—Others	-	-
(b) Provision for Interest on Loan	12,028.79	10,997.28
Un Secured loan		
(a) Loan from Sariga Construction Pvt Ltd.	143.77	127.02
(b) Loan From Lotus Textiles	525.37	525.37
(c) Loan From Krishana Auto Sales	620.00	423.38
		-
<b>Total</b>	<b>27,016.09</b>	<b>25,777.36</b>



**SRI PRAKASH & CO.**  
 FRN NO.  
 002058C  
 Chartered Accountants



**Note no. 26**  
**Financial Liabilities - Trade Payables (Current)**

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Other than Micro and Small Enterprises	2791.79	2,689.68
<b>Total</b> (disclosure as per micro and small enterprises)	<b>2,791.79</b>	<b>2,689.68</b>

**Note no. 27**  
**Other Liabilities (Current)**

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Other Current Liabilities		
(a) Bills payable (accepted under LC)		
(b) Total outstanding dues of creditors other (other than micro enterprises due of creditor others)		
Current Maturities of Long Term Debt**		
Creditors for capital goods	2852.54	2,685.71
Creditors for expenses	41.59	35.58
Advances payment for which value has still to be given	36.99	31.55
Unclaimed Final Dividend for Earlier Years *	1.25	1.25
Securities/Retention payable	581.29	543.40
Sales tax payable / WCT Payable	0.00	-
TDS & TCS Payable	40.13	45.75
Service Tax Payable	0.00	-
GST Payable	340.91	470.41
Audit Fee Payable	0.00	-
Expenses payable	19.85	29.10
Employee Imprest Payable	10.03	
Branch and Division		
<b>Total</b>	<b>3,924.58</b>	<b>3,842.76</b>

**Note no. 28**  
**Provisions (Current)**

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Short Term Provisions		
(a) Provision for employee benefits		
(i) Payable PF, ESI & Welfare Fund	26.91	51.51
(ii) Insurance, Pension and similar staff benefits	171.47	161.82
(b) Others	0.00	-
(i) Provision for Income Tax	0.00	-
(ii) Provision for Pending Litigation / Disputes *	174.80	174.80
<b>Total</b>	<b>373.18</b>	<b>388.13</b>



**Note no. 29**  
Revenue from operations

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Sales less returns	227.50	253.25
Income from Services	2310.60	3,393.78
Less: Fair value adjustment A/c		
<b>Net Sales (a)</b>	<b>2,538.10</b>	<b>3,647.03</b>
<b>Other Operational Income</b>		
Export Incentives		
Finance income on assets given on finance lease		
Scrap income	15.18	19.93
Freight & Insurance Income		
Fair value adjustment (Unwinding) A/c		
Others		
<b>Other Operational Income (b)</b>	<b>15.18</b>	<b>19.93</b>
<b>Revenue from operations</b>	<b>2,553.27</b>	<b>3,666.96</b>
a. Includes based on provisional prices		
b. Includes additional claim for despatches made in earlier year in accordance with price settlement with railways during the year.		
c. includes for escalation claims raised in accordance with sales contracts, inclusive of escalation claims on accrual basis, to the extent latest indices were available;		
d. includes despatches of equipment valued at held on behalf of customers at their request for which payment has been received by Company ; and		
e. excludes for price reduction (net of refund) due to delay in delivery as per the terms of the contract .		

**Note no. 30**  
Other Income

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
<b>Other income</b>		
Government Grant		
Profit from sale of item of PPE		
Exchange variation ( Cr. Balance)		
Dividend on Investment (Long term-Trade)		
Others	0.18	
Unclaimed balances W/off & short & Excess	0.22	-
Rent Received		-
Advance Forfeited /Bad Debts Recoveries		-
Miscellaneous Receipts	1.11	0.73
<b>Other Income (a)</b>	<b>1.51</b>	<b>0.73</b>
<b>Interest Income</b>		
From banks	8.43	7.96
Others	7.46	4.83
<b>Interest Income (b)</b>	<b>15.89</b>	<b>12.79</b>
<b>Total (a+b)</b>	<b>17.40</b>	<b>13.52</b>

**Note no. 31**  
Cost of material consumption, erection and engineering expenses

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Consumption of raw material & components	1270.66	1,800.88
Consumption of stores & spares (Purchase of stock in trade)	0.00	0.02
Erection and Engineering exp. - payment to subcontractors		
Less: PV Adjustment Material/Subcontracting Cost		
<b>Total</b>	<b>1,270.66</b>	<b>1,800.90</b>



*[Handwritten signature]*

*[Handwritten signature]*

**Note no. 32**

Changes in inventories of finished goods and work in progress

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
<b>Work-in-progress</b>		
Closing Balance	121.03	205.78
Opening Balance	205.78	200.76
	-	-
<b>Finished Goods</b>		
Closing Balance	74.48	102.71
Opening Balance	102.71	79.43
	-	-
<b>Consumable Stores</b>		
Closing Balance	363.40	360.00
Opening Balance	360.00	405.73
<b>(-)INCREASE /DECREASE IN WIP/ FINISHED GOODS/CONSUMABLES</b>	<b>109.59</b>	<b>17.42</b>

**Note no. 33**

Employee benefits expenses

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Salaries, wages, bonus, allowances & other benefits	587.95	639.63
Contribution to provident and other funds	27.42	31.73
Group insurance		-
Staff welfare expenses	2.48	2.31
Employee Retirement & Other Benefits		-
(i) Gratuity & Leave Encashment- Paid		-
(ii) Gratuity & Leave Encashment- Provision(Add/Reverses)		-
<b>Total</b>	<b>617.85</b>	<b>673.66</b>

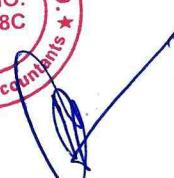


Note no. 34

Other expenses of manufacture, administration, selling & distribution

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
<b>(A) MANUFACTURING EXPENSES</b>		
(a) Outside Job work/ Erection Charges	163.40	622.12
(b) Power and fuel	209.67	294.60
(c) Water & Sewerage Charges	0.21	0.20
(d) Consumption of stores and spare parts	0.04	0.02
(e) Repairs to Machinery & Hiring Charges	1.04	4.21
(f) Freight on Purchase	4.80	6.12
<b>Sub-total (A)</b>	<b>379.16</b>	<b>927.28</b>
<b>(B) ADMINISTRATIVE EXPENSES</b>		
(a) Auditors remuneration & Out of pocket Expenses	-	-
(b) Books & periodicals	-	-
(c) Charity & Donation	-	0.03
(d) Commission / Sitting fee to Non WTD	-	-
(e) Director Travelling & Conveyance	-	-
(f) Diwali Expenses	1.44	0.41
(g) Miscellaneous Expenses	6.96	10.34
(h) Insurance (Others)	10.78	12.28
(i) Insurance (on cars)	0.49	0.29
(j) Legal & Professional Charges	142.23	184.74
(k) Out of pocket Expense -Consultant	-	0.20
(l) AGM & Meeting Expenses	1.00	0.60
(m) Postage /Telegram/ Courier Expenses	0.95	0.09
(n) Printing & stationery Expenses	3.22	3.18
(o) Rates & Taxes, Excluding taxes on income	8.16	15.40
(p) Rent	7.52	10.76
(q) Repairs to Buildings	30.55	66.08
(r) Repair - Computer	4.16	7.55
(s) Running & Maintenance -Vehicle Commercial	-	-
(t) Running & Maintenance - Vehicle others	63.79	101.14
(u) Watch /Ward/Security	41.15	40.81
(v) Repair - Electricals	6.41	8.76
(w) Subscription & Membership Fee	0.20	-
(x) Telephone, Modem & Internet Expenses	4.38	2.60
(y) Testing & Designing Expenses	0.34	0.32
(z) Travelling & Conveyance Expenses	9.80	24.88
(z i) Office Maintenance Expenses	6.86	19.69
(zii) CSR Expenses	-	-
(ziii) NCD issue Expenses	-	-
(ziv) IRP Fees	-	-
(zv) Repair and maintainance (others)	3.06	
(zvi) Sewerage & Water charges	1.07	2.05
<b>Sub-total (B)</b>	<b>354.50</b>	<b>512.20</b>
<b>(C) SELLING &amp; DISTRIBUTION EXPENSES</b>		
(a) Sales Promotion Expenses	-	7.91
(b) Commission/ Discount on Sales	0.81	-
(c) Distribution Expenses/ Export sales clearing Expenses	0.35	2.17
(d) Advertisement / Tender fee & Exhibition Expenses	1.25	0.33
(e) Bad Debts written off	0.12	116.22
(f) L.D.Charges deducted	1.09	
(f) Fees & Taxes	-	-
<b>Sub-total (C)</b>	<b>3.62</b>	<b>126.64</b>
<b>Total (A+B+C)</b>	<b>737.28</b>	<b>1,566.12</b>





Note no. 35  
Provisions (Net)

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
<b>Doubtful debts ,Liquidated Damages and Loans, advances &amp; deposits</b>		
Created during the year		
Less: written back during the year		
<b>Contractual Obligations</b>		
Created during the year		
Less: written back during the year		
<b>Others</b>		
Created during the year		
Less: written back during the year		

Note no. 36  
Finance costs

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
<b>(a) Interest expenses</b>		
(i) to Banks on Working Capital Loans		3.29
(ii) to Banks on Term Loans		-
(Net of TUF Interest Subsidy ₹ 1418813 , Previous Year ₹ )		-
(iii) on other accounts	1119.04119	-
<b>(b) Other borrowing costs</b>		2,206.39
(i) Bank Charges	0.0456832	0.17
<b>(c) Applicable Net Gain/Loss on Foreign Currency Transactions and Translations</b>		-
<b>Total</b>	<b>1,119.09</b>	<b>2,209.85</b>

Note no. 37  
Depreciation and Amortisation Expense

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Depreciation and Amortisation Expense	687.12	840.96
<b>Total</b>	<b>687.12</b>	<b>840.96</b>

Note no. 38  
Tax expense

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
<b>a) Current Tax</b>		
For Current Years		
For earlier years		
<b>Total Current Tax</b>		
<b>b) Deferred Tax</b>		
For Current Years		
For earlier years		
<b>Total Deferred Tax</b>		



**Note no. 39**  
Other Comprehensive Income

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
<b>Gain on FMV of Land</b>		
FMV as on 31.03.2022		3,606.55
FMV as on 31.03.2021		2,648.77
FMV as on 01.04.2020		-
Carrying value as on 01.04.2020 (Rs.1899 lakhs)		
<b>Gain on FMV of Land</b>	<b>957.78</b>	
<b>Total OCI</b>	<b>957.78</b>	
<b>Tax impact @30%</b>	<b>287.33</b>	
<b>OCI net of Tax</b>	<b>670.45</b>	

**Note no. 40**  
Exceptional / Extraordinary Items

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
(a) Loss on sale of fixed assets		26.48
(b) Loss on inventory revaluation		-
(c) Loss on sale of investment		-
<b>Total</b>	<b>-</b>	<b>26.48</b>

**Note no. 41**  
Earning Per Share

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Profit attributable to equity shareholders		
Weighted average number of equity shares		
<b>Basic and diluted earnings per share (in INR)</b>		




## Independent Auditors Report

**To the Members of  
Richa Industries Limited**

### Report on the Consolidated Financial Statement

#### 1. Corporate Insolvency Proceedings as per Insolvency and Bankruptcy Code, 2016 (IBC)

The Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT") by an order dated 18.12.2018 admitted the Corporate Insolvency Resolution Process application filed against **Richa Industries Limited** by an operational creditor and appointed Mr. Arvind Kumar as an Interim Resolution Professional (IRP) in terms of the Insolvency and Bankruptcy Code, 2016 ("Code") to manage the affairs of the company as per the provisions of the code. Further, the committee of creditors constituted during CIRP has confirmed the appointment of Mr. Arvind Kumar as the resolution professional ("RP") on 17-01-2019 for the company. In view of ongoing CIRP and suspension of powers of Board of Directors and as explained to us, the powers of adoption of this Consolidated Financial Statements vests with the RP under Insolvency and Bankruptcy Code, 2016.

#### 2. Qualified Opinion

We have audited the accompanying Consolidated Financial Statements of Richa Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (here in refer to as "Consolidated Financial Statement").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in Para 3(a) to 3(m) in the basis for qualified opinion, the aforesaid Consolidated 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its Consolidated profit (or Loss) and Consolidated cash flows for the year ended on that date.

#### 3. Basis for Qualified Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements*

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**Madhubani** : Ward No. 1, Near Kharga Phulwari, Jaynagar, Madhuabani, Bihar-847226  
**Fatehabad** : Street No.7, Ward No. 11, Tibba Colony Ratia, Fatehabad, Haryana-125051



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 independence requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made there under, 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 we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements. We refer to the following notes to consolidated financial statements:

- a. During the year, the Company has incurred a Net Loss of `22.09 Crore resulting into accumulated losses of `319.18 Crore and erosion of its Net worth as at March 31, 2023. The Company has obligations towards fund-based borrowings aggregating to Rs. 306.04 Crore and operational creditors and statutory dues, subject to reconciliation/verification that have been demanded/recalled by the financial/operating creditors pursuant to ongoing Corporate Insolvency Resolution Process (CIRP). These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any, on the accompanying consolidated financial statements.
- b. The Company has been unable to conclude with the Resolution Plan and also the liquidation process request has been submitted before Hon'ble NCLT which is pending as on the date of audit. This situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The financial statements do not adequately disclose this matter.
- c. In view of the significant losses which have been incurred by the company during the previous financial years, the carrying value of certain fixed assets needs to be tested for impairment. The management has not done the impairment testing and in absence of any information, we are unable to comment as to whether any provision for impairment is required or not.
- d. In connection with the existence of material uncertainties over the realisability of trade receivables and Security Deposit amount aggregating to `73.64 Crore included in financial and other assets which are past due subject to confirmation and reconciliation. The management is yet to assess the change in risk of default and resultant expected credit loss allowance on such assets.



- e. The Inventory valuing Rs. 37.15 Crore comprises of raw material, stock of work in progress, semi finished goods including recovery stock and material at shop floor and Net Fixed Assets valuing Rs. 93.77 Crore was neither Physical verification nor valued by us. The quantity and valuation as provided by Management/Resolution Professional has been accepted without any further verification / valuation. Any deviation in the same may affect the Financial Position and / or Financial Performance of the Company, to the extent.
- f. In respect of various claims, submitted by the financial creditors (including claims towards fund based and non-fund based exposure and claims on behalf of subsidiary companies and other parties), operational creditors, workmen or employee and authorized representative of workmen and employees of the Company to Resolution Professional pursuant to the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulation 2016, that are currently under consideration/reconciliation. Pending reconciliation/admission of such claims by the RP, we are unable to comment on the consequential impact, if any, on the accompanying statement.
- g. The company has not made any provision for gratuity and leave encashment for the current financial year and no actuarial valuation report has been taken, the impact on loss for the year on account of such previous provision is not ascertainable and relevant disclosures have not been given. This is not in compliance with AS-15 Employee Benefits.
- h. The GST returns i.e. GSTR-1, GSTR-3B, GSTR-2A are subject to reconciliation with books of accounts.
- i. The accompanying statements are in compliance to Indian Accounting Standards ('IND AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued there under. The same have been adopted from 01-04-2021.
- j. The company has not appointed Internal Auditor as required by section 138 of the Companies Act, 2013.
- k. The company has not deposited statutory liabilities with concerned Government authorities under various Acts before commencement of CIRP during the FY 2022-23. It has also not provided for interest/penalty/for such default.
- l. In connection with the existence of material uncertainties over the balances of trade payables and other current liabilities amount aggregating to Rs. 71.89 Crore included in financial statements are subject to reconciliation.



m. The company had made payments to various vendors for supply of machinery in the financial year 2020-2021. However, the company is still to receive the machineries against the same. Details of the same are given below.

S. No.	Party name	Amount (in Rs.)
1	Parmod Lohia	2,00,000
2	Rishi HP CE	23,51,370
3	Yogesh Kumar	3,00,000
4	D-Knot Wires	1,52,71,859

#### 4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated 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.

Sr. No.	Key Audit Matter	Auditor's Response
1	<i>Accuracy Evaluation of claims submitted by Financial Creditors, Employees &amp; Operational Creditors</i>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <p>Pursuant to the commencement of Corporate Insolvency Resolution Process of the Company (CIRP) under Insolvency and Bankruptcy Code, 2016 (IBC), various claims have been submitted by operational creditors, financial creditors, employee and others against the Company. The amount of trade and other payables are independent of the claims filed by creditors and admitted by the RP.</p>



2	<p><b><i>Evaluation of uncertain tax positions</i></b></p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Obtained details of completed tax assessments and demands for the year ended March 31, 2023 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.</p> <p>Additionally, we considered the effect of new information in respect of uncertain tax positions to evaluate whether any change was required to management's position on these uncertainties.</p>
3	<p><b><i>Recoverability of Indirect tax receivables</i></b></p> <p>As at March 31, 2023, non-current assets in respect of withholding tax and others includes trade receivables, Income Tax recoverable which are past due subject to reconciliation.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>We have involved our internal experts to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution. The management is yet to assess the change in risk of default and resultant expected credit loss allowance on such assets.</p>
4.	<p><b><i>Accuracy Evaluation of Inventory Positions</i></b></p> <p>Estimated effort is a critical estimate to determine liability for onerous obligations</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <p>We have evaluated the design of internal control relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations.</p> <p>We have in respect Non-availability of Physical verification and market value of inventory of Raw Material, Work in progress and Finished goods etc. and in the absence of corroborative evidence, we unable to comment on the extent to which such balances are recoverable.</p>



		Valuation obtained by the RP under I&BC is confidential and cannot be shared except as per the provisions of the I&B code 2016.
5.	<p><b><i>Accuracy Evaluation of Property, Plant and Equipments</i></b></p> <p>Estimated effort is a critical estimate to determine liability for onerous obligations</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <p>We have evaluated the design of internal control relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations.</p> <p>we have in respect Non-availability of Physical verification and market value of property, plant and equipment etc. and in the absence of corroborative evidence, we unable to comment on the extent to which such balances are recoverable.</p> <p>Valuation obtained by the RP under I&amp;BC is confidential and cannot be shared except as per the provisions of the I&amp;B code 2016.</p>
6.	<p><b><i>Accuracy Evaluation of Trade Receivables</i></b></p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>We have evaluated the design of internal control relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. In respect Non-availability of Reconciliation and confirmations of balances from the trade receivables and In the absence of corroborative evidence, we unable to comment on the extent to which such balances are recoverable.</p>

##### **5. Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors/IP is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report



including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion there on.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated 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.

The Company's financial statements have been prepared using the going concern basis of accounting. Management is responsible for assessing the Company's ability to continue as a going concern, including whether the use of the going concern basis of accounting is appropriate. The use of the going concern basis of accounting is appropriate unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. Management is also responsible for disclosing [in the financial statements] a material uncertainty of which management becomes aware related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

As part of our audit, we conclude regarding the appropriateness of management's use of the going concern basis of accounting in the preparation of the financial statements in the context of the applicable financial reporting framework. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. Our conclusions are based on information available to us at the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

## **6. Management's Responsibility for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued there under.



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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process. However, Pursuant to ongoing Corporate Insolvency Resolution Process (CIRP) powers of the Board of Directors have been suspended and these Powers are now vested with Resolution Professional (RP).

## 7. **Auditors' Responsibility**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Consolidated financial statements.

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

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

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 consolidated 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.

**8. Emphasis of matters** Attention is invited to:

- a. In respect of Income tax notices received by the company from the Income Tax department and these cases are still under dispute.
- b. In respect of Notices received by the company under Various Labor acts.
- c. As per the insolvency and bankruptcy code. 2016 („insolvency code”), the RP receives, collect, and admit all the claim submitted by the creditor (Operational, Financial& Other), employee and workmen of the company and Govt. Authorities. Such claim can be submitted to the RP during the CIRP, till the approval of a resolution plan by COC. The impact of such admitted or rejected claims, if any, has not been considered in the preparation of the Consolidated Financial Statements.
- d. Attention is invited to the Financial Statement wherein the management has stated that the Company was under CIRP Proceedings and on dated 01.07.2019, a Resolution plan was presented to COC which is subsequently rejected by COC on dated 03.09.2019. Further, The Company has communicated the rejection of Resolution Plan to Hon'ble NCLT on dated 03.09.2019 and also filed an application for liquidation of corporate debtor before Hon'ble NCLT on dated 12.09.2019. Since the CIRP Process, w.r.t. resolution plan, have been rejected by COC and liquidation request has also been submitted before Hon'ble NCLT.
- e. Information is not available regarding classification of creditors into Micro, Small and Medium enterprises as required under the Micro, Small and Medium enterprises Development Act 2006. The Financial Impact of this Non-Compliance, if any could not be determined

**9. Other Matters**

We did not audit the separate financial statements of subsidiary Company.

**10. Report on Other Legal and Regulatory Requirements**

- 1 As required by section 143 (3) of the Act, we report that:



- a) We have sought and except for the effects/possible effects of the matters described under "Basis for qualified opinion" paragraph, have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) Except for the effects/possible effects of matters described in the "Basis for qualified opinion" paragraph, 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Statement of Consolidated Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, except for the effects/ possible effects of the matters described in the "Basis for qualified opinion" paragraph, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) The matters described under "Basis for Qualified Opinion" and "Emphasis of Matters" paragraph, in our opinion, may have an adverse effect on the functioning of the Company;
- f) The qualification relating to the maintenance of accounts and other matters connected there with are as stated in the basis for Qualified Opinion paragraph;
- g) 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 a qualified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting.
- 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, in our opinion and to the best of our information and according to the information and explanations given to us:
  - I. The Company has disclosed the impact of pending litigations on its financial position to the extent ascertained, in its Consolidated financial statements;
  - II. Except for the effects/possible effects of matters described under basis of qualified opinion paragraph, the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company did not have any derivative contracts;



III. The company has not transferred amounts that were due to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022;

**For Sri Prakash & Co  
Chartered Accountants  
FRN: 002058C**

**CA Punit Kumar  
M. No.522295  
Date: 20-Sep-2023  
Place: Baddi  
UDIN : 23522295BGVIJX6478**



A handwritten signature in blue ink, appearing to read "Punit Kumar", positioned over the stamp.

**Annexure "A" to the Independent Auditors' Report of even date on the Consolidated Financial Statements of Richa Industries Limited**

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

In conjunction with our audit of the consolidated financial statements of Richa Industries Limited ("the Holding Company or the Company"), and its subsidiary company (the Holding Company and its subsidiary together referred to as "the group") as at and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of **Richa Industries Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.



Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Basis for Qualified Opinion**

In our opinion and according to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2023:



The Company did not have appropriate internal financial controls over

- (a) Assessment of expected credit loss/loss allowance of trade receivables and withheld amounts which are subject matters of various disputes /arbitration proceedings/ negotiations with the customers and other disputes.
- (b) Physical verification of fixed assets and inventories. Further the company did not have any internal audit system during the year.
- (c) The Holding Company has consolidated financial statements / financial information of the subsidiary company, which is a company incorporated in India, which has been included in the consolidated financial statements based on audited financial statements/financial information. Hence, we are unable to comment on the adequacy and operating effectiveness of the internal financial controls over financial reporting related to the consolidation of the said entities and consequently the items of revenues, expenses, assets, liabilities and net cash flows from the said subsidiary companies which are companies incorporated in the consolidated financial statements of the Holding company have been audited by other auditor and therefore not reported by us. The inadequate supervisory and review control over Company's process in respect of its aforesaid assessment in accordance with the accounting principles generally accepted in India could potentially result in a material misstatement in preparation and presentation of consolidated financial statement including the profit/loss after tax. Refer Appendix -1

The inadequate supervisory and review control over Company's process in respect of aforesaid assessment in accordance with the accounting principles generally accepted in India could potentially result in a material misstatement in Preparation and presentation of financial statement including the profit/loss after tax.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

#### **Qualified opinion**

In our opinion, except for the possible effects of material weaknesses described in "basis of qualified opinion" paragraph above, 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, 2023, 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.



We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the Consolidated financial statements of the Company for the year ended on March 31, 2023, and these material weaknesses have affected our opinion on the Consolidated financial statements of the Company, and we have issued a qualified opinion on the Consolidated financial statements.

**For Sri Prakash & Co  
Chartered Accountants  
FRN: 002058C**

CA Punit Kumar  
M. No.522295

**Date: 20-Sep-2023  
Place: Baddi**



FRN NO.  
002058C

Chartered Accountants

## Appendix-1

**The details of the subsidiary company that have been consolidated on the basis of unaudited Accounts.**

<b>S. No.</b>	<b>Name of the Subsidiary Company</b>
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1	Richa Krishna Constructions Private Limited
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Part I : Balance Sheet (Consolidated)  
 RICHA INDUSTRIES LIMITED [CIN : 17115HR1999PLC032108]  
 Consolidated Balance Sheet as at 31st March , 2023

Sl. No.	Particulars	Note No.	Consolidated		RICHA INDUSTRIES LIMITED		RICHA KRISHNA CONSTRUCTIONS	
			Figures as at the end of the current reporting period 31/03/2023	Figures as at the end of the current reporting period 31/03/2022	Figures as at the end of the current reporting period 31/03/2023	Figures as at the end of the current reporting period 31/03/2022	Figures as at the end of the current reporting period 31/03/2023	Figures as at the end of the current reporting period 31/03/2022
<b>I ASSETS</b>								
1	Non-current assets							
	(a) Property, Plant and Equipment	3a	19,853.26	19,845.63	19,853.26	19,845.63	-	-
	(b) Capital work-in-progress	3b	-	-	-	-	-	-
	(e) Intangible assets	4a	201.88	201.88	201.88	201.88	-	-
	(h) Financial Assets:							
	(i) Investments	5	-	-	0.51	0.51	-	-
	(ii) Trade receivables	6	-	-	-	-	-	-
	(iii) Loans	7	-	-	-	-	-	-
	(iv) Deposits in Bank and undrawn dividend	8	395.56	400.73	131.70	125.64	263.86	275.09
	(v) Others		-	-	-	-	-	-
	(i) Deferred tax assets (net)		1,937.74	2,000.09	1,937.74	2,040.09	-	-
	(j) Other non-current assets	10	22,388.95	22,488.83	22,125.99	22,213.75	263.86	275.09
2	Current assets							
	Sub-total (1)							
	(a) Inventories	11	3,715.53	3,475.56	558.31	668.50	3,156.62	2,807.06
	(b) Financial Assets							
	(i) Investments	12	4,999.38	4,650.28	4,999.38	4,650.28	-	-
	(ii) Trade receivables	13	32.68	39.28	31.99	28.40	0.79	10.88
	(iii) Cash and cash equivalents	14	35.23	33.65	35.23	33.65	-	-
	(iv) Bank balance other than (iii) above	15	430.99	487.62	430.99	487.62	-	-
	(v) Loans and advances	16	6.62	9.15	6.62	9.15	-	-
	(vi) Others (to be specified)	17	-	-	-	-	-	-
	(c) Current Tax Assets (Net)		403.87	341.03	-	-	403.87	341.03
	(d) Other current assets							
	Sub-total (2)		9,624.31	9,036.57	6,063.03	5,877.59	3,561.28	3,158.98
<b>TOTAL ASSETS</b>								
			32,013.26	31,525.40	28,188.12	28,091.34	3,825.14	3,434.06
<b>II EQUITY AND LIABILITIES</b>								
	Equity							
	(a) Equity- Share capital	18	2,351.69	2,351.69	2,351.69	2,351.69	1.00	1.00
	(b) Other Equity		-31,917.57	-29,824.95	-31,797.20	-29,825.30	-236.02	2.64
	(c) NCI		-115.16	1.78	-	-	-	-
	Sub-total (III)		-29,681.04	-27,471.48	-29,445.51	-27,474.61	-235.02	3.64
<b>Liabilities</b>								
	Non-current Liabilities							
1	(a) Financial Liabilities							
	(i) Borrowings	19	10,992.21	11,019.36	10,992.21	11,019.36	-	-
	(ii) Trade Payables:-		-	-	-	-	-	-
	(A) total outstanding dues of micro enterprises and small enterprises; and		-	-	-	-	-	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		-	-	-	-	-	-
	(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-	-	-	-	-
	(b) Other Financial Liabilities	21	81.48	81.48	81.48	81.48	-	-
	(b) Provisions	22	10,801.82	10,115.62	10,801.82	10,114.71	0.92	-
	(c) Deferred tax liabilities (Net)	23	1,652.47	1,652.47	1,652.47	1,652.47	-	-
	(d) Other non-current liabilities		-	-	-	-	-	0.92
	Sub-total (1)		23,527.99	22,868.93	23,527.99	22,868.02	-	-



<b>2</b>	<b>Current liabilities</b>						
	(a) Financial liabilities						
	(i) Borrowings	25	30,603.86	28,831.23	27,016.09	25,777.36	3,587.76
	(ii) Trade Payables:-		-	-			3,053.87
	(A) total outstanding dues of micro enterprises and small enterprises; and		-	-			
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	26	3,132.71	2,876.60	2,791.79	2,689.88	340.93
	(iii) Other financial liabilities (other than those specified in item (c))		-	-			186.92
	(b) Other current liabilities	27	4,056.05	4,031.48	3,924.58	3,842.76	131.47
	(c) Provisions	29	373.18	388.13	373.18	388.13	-
	Sub-total (2)		38,165.80	36,127.44	34,105.64	32,697.33	4,060.16099
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>32,013.26</b>	<b>31,525.40</b>	<b>28,188.12</b>	<b>28,091.34</b>	<b>3,434.06</b>

As per our report of even date attached

For Sri Prakash & Co

Chartered Accountants

(Firm Registration Number 002058C)

(CA Punit Kumar)  
Partner  
Membership No. 522295  
Place: Baddi  
Date: 20-09-2023



On Behalf of the Board of Directors

For Richa Industries Limited

  
Arvind Kumar  
Resolution Professional  
IRP No: IBB/II/PA-001/IRP-P00178/2017-18/10357

5

Part II : Statement of Profit and Loss

RICHA INDUSTRIES LIMITED [CIN : L1715HR1993PLC032108]  
Statement of Profit and Loss for the period ended 31st March, 2023

Consolidated

RICHA INDUSTRIES LIMITED

RICHA KRISHNA CONSTRUCTIONS

Sl. No.	Particulars	Note No.	Figures as at the end of the current reporting period	Figures as at the end of the current reporting period	Figures as at the end of the current reporting period	Figures as at the end of the current reporting period	Figures as at the end of the current reporting period
			31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023
I	Revenue From operations		29	2,783.43	3,701.03	2,553.27	3,666.96
II	Other income		30	33.06	32.10	17.40	13.52
III	Total Income (I+II)			2,816.48	3,733.13	2,570.67	3,680.48
IV	EXPENSES			-	-	-	-
V	Cost of materials consumed		31	1,992.30	2,647.19	1,270.66	1,800.90
VI	Purchases of Stock-in-Trade			-	-	721.64	846.29
VII	Changes in inventories of finished goods, Stock-in-Trade and work-in-progress		32	-239.97	-794.69	109.59	1742
VIII	Employee benefits expense		33	617.85	673.66	617.85	673.66
IX	Other expenses of manufacture, administration, selling & distribution		34	743.71	1,568.42	737.12	1,566.12
X	Finance costs		36	1,225.03	2,223.35	1,119.09	2,209.85
XI	Depreciation and amortization expenses		37	687.12	840.96	687.12	840.96
XII	Other expenses			-	-	-	-
XIII	Total expenses (IV)			5,026.04	7,158.89	4,541.57	7,108.90
XIV	Profit/(loss) before exceptional items and tax (III-IV)			-	-	484.47	49.99
XV	Profit/(loss) before exceptional items and tax(V-VI)			-2,209.56	-3,425.76	-1,970.90	-3,428.42
XVI	Exceptional Items		40	-	26.48	-	26.48
XVII	Profit/(loss) before exceptions items and tax(V-VI)			-2,209.56	-3,452.25	-1,970.90	-3,454.90
XVIII	Tax expense:			-	-	-	-
XIX	(1) Current tax			-	0.92	-	-
XX	(2) Deferred tax			-	-	-	-
XI	Profit/(Loss) for the period from continuing operations (VII-VIII)			-2,209.56	-3,453.16	-1,970.90	-3,454.90
XII	Profit/(loss) from discontinued operations			-	-	-	-
XIII	Profit/(loss) from Discontinued operations (after tax) (X-XI)			-	-	-	-
XIV	Profit/(loss) for the period (IX+XII)			-2,209.56	-3,453.16	-1,970.90	-3,454.90
XV	Other Comprehensive Income			-	-	-	-
XVI	A. (i) Items that will not be reclassified to profit or loss		39	-	957.78	957.78	957.78
XVII	(ii) Income tax relating to items that will not be reclassified to profit or loss			-	287.33	287.33	287.33
XVIII	Sub-total (A)			-	670.45	-	670.45
XIX	B. (i) Items that will be reclassified to profit or loss			-	-	-	-
XX	(ii) Income tax relating to items that will be reclassified to profit or loss			-	-	-	-
XI	Total Other Comprehensive Income for the period (XIII+XIV)			-	670.45	-	670.45
XII	Total Comprehensive Income for the period (XIV i.e. A+B)			-	-	0.00	0.00
XIII	Total Comprehensive Income for the period (XIV i.e. A+B)			-2,209.56	-2,782.72	-1,970.90	-2,784.46
XIV	Earnings per equity share in INR (for discontinued operation):					-238.66	1.74
XV	(1) Basic						
XVI	(2) Diluted						



XVII	Earning per equity share in INR (for discontinued & continuing operation)						
(1) Basic			-9.43	-11.88	-8.41	-11.88	-2,386.59
(2) Diluted			-9.43	-11.88	-8.41	-11.88	-2,386.59

As per our report of even date attached

For Sri Prakash & Co

Chartered Accountants

(Firm Registration Number 002058C)

On Behalf of the Board of Directors

For Richa Industries Limited

(CA Punit Kumar)  
Partner  
Membership No. 522295  
Place: Baddi  
Date: 20-09-2023



  
Arvind Kumar  
Resolution Professional  
IRP No: IBB/I/PA-001/1/P-000178/2017-18/10357

## Statement of Cash flow

for the year ended 31.03.2023

Particulars	2022-23
<b>A. Cash Flow from Operating Activities</b>	
Profit for the year (Before Tax)	-2,209.56
Adjustment for	
Depreciation and Amortisation	687.12
Bad Debts & LD written off and unrealised gain/loss	
Dividend Income	
Finance Income	31.55
Profit/Loss on disposal of property, plant and equipment	
Finance cost (including unwinding of interest)	1,225.03
Fair value adjustment	
Provisions (Net)	
<b>Operating Profit before Working Capital changes</b>	<b>-328.96</b>
Adjustment for	
Trade Receivables	-349.10
Financial Assets- Loans & others	64.32
Other Assets	39.50
Inventories	-239.97
Trade Payable	256.11
Other financial liabilities	
Other liabilities & provisions	8.71
<b>Cash generated from operations</b>	<b>-549.38</b>
Direct Taxes Paid (Net of refund)	0
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>	<b>-549.38</b>
<b>B. Cash Flow from Investing Activities</b>	
Redemption/maturity of bank deposits	-1.59
Purchase of property, plant and equipment	-7.63
Proceeds from Sale of property, plant and equipment	
Investments	
Investment in Subsidiary & Joint Ventures (net)	
Interest & Dividend income	31.55
<b>Net Cash used in Investing Activities</b>	<b>22.33</b>
<b>C. Cash Flow from Financing Activities</b>	<b>1,745.48</b>
Proceeds/Repayment of Short term & Long term Borrowings	
Dividend Paid (including tax on dividend )	
Finance cost	-1,225.03
<b>Net Cash used in Financing Activities</b>	<b>520.45</b>
	-6.60
<b>D. Net Increase/(Decrease) in Cash and Cash Equivalents</b>	
Opening Balance of Cash and Cash Equivalents	39.28
Closing Balance of Cash and Cash Equivalents (Refer Note no.12 & 13)	32.68

**Note:**

- 1 : Cash & Cash Equivalents consists of cash and bank balance.
- 2 : Previous year's figures have been regrouped/rearranged wherever necessary.
- 3 : Cash & Cash Equivalents includes H 3.10 Crore (previous year H 3.27 Crore) unclaimed dividend lying in designated bank accounts.



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**STATEMENT OF CHANGES IN EQUITY (SOCI)**

**RICHA INDUSTRIES LIMITED [CIN : L1715HR1993PLC032108]**

**Balance Sheet as at 31st March, 2023  
Plot No. 29, DLF Industrial Area, Phase -II, Faridabad, Haryana (India) -121003**

**A. Equity Share Capital**

Equity shares of INR 10 each issued, subscribed and fully paid	Number of shares		Share capital (Rs. in lakhs)	Non Controlling Interest (NCI)
	2022-23	2021-22		
<b>Balance as at the beginning of the period</b>			2022-23	2021-22
Richa Industries Ltd.				2022-23
Richa Krishna Constructions	23430000	23430000	2,351.69	2,351.69
Issue of share capital				
Richa Industries Ltd.	10000	10000	1.00	1.00
<b>Balance as at the end of the period</b>				
Richa Industries Ltd.				
Richa Krishna Constructions	23430000	23430000	2,351.69	2,351.69
Richa Krishna Constructions	10000	10000	1.00	1.00

**B. Other Equity**

	Reserves and Surplus			Other items of Other Comprehensive Income	Total Other Equity	Non Controlling Interest (NCI)
	Capital Reserve	Securities Premium	General Reserve			
<b>Opening Balance as at 01.04.2022 (as per Ind AS)</b>						
Richa Industries Ltd.	12.15	2,234.49	32.49	-32,944.43	839.01	-29,826.29
Richa Krishna Constructions	-	-	-	2,6401	-	2.64
<b>Add/(less) Total Comprehensive income for the year</b>						
Richa Industries Ltd.						1.29
Richa Krishna Constructions						
<b>Less : Transfer to general reserve</b>						
Richa Industries Ltd.						
Richa Krishna Constructions						
<b>Balance as at 31 March, 2022 (as per Ind AS)</b>						
Richa Industries Ltd.	12.15	2,234.49	32.49	-34,915.33	839.01	-31,797.19
Richa Krishna Constructions	-	-	-	-236.02	-	-236.02
<b>(1) For the year ended 31st March 2022</b>						
	Reserves and Surplus			Other items of Other Comprehensive Income	Total Other Equity	Non Controlling Interest (NCI)
	Capital Reserve	Securities Premium	General Reserve			
<b>Opening Balance as at 01.04.2021 (as per Ind AS)</b>						
Richa Industries Ltd.	12.15	2,234.49	84.98	-29,468.51	168.56	-26,963.32
Richa Krishna Constructions	-	-	-	0.8980	-	0.90
<b>Add/(less) Total Comprehensive Income for the year</b>						
Richa Industries Ltd.						0.44
Richa Krishna Constructions						
<b>Less : Transfer to general reserve</b>						
Richa Industries Ltd.						0.85
Richa Krishna Constructions						
<b>Balance as at 31 March, 2022 (as per Ind AS)</b>						
Richa Industries Ltd.	12.15	2,234.49	32.49	-32,921.67	168.56	-30,473.98
Richa Krishna Constructions	-	-	-	2.64	-	1.29



(2) For the year ended 31st March 2021

	Reserves and Surplus				Other items of Other Comprehensive Income	Total Other Equity	Non Controlling Interest (NCI)
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings			
<b>Opening Balance as at 01.04.2020 (as per Ind AS)</b>	12.15	2,234.49	214.87	-24,847.36	2.88	-22,385.85	1.41
Richa Krishna Constructions	-	-	-	-	2.88	-	2.88
<b>Add/(less) Total Comprehensive Income for the year</b>							
Richa Industries Ltd.	-	-	-	-129.89	-4,621.14	168.56	-4,582.47
Richa Krishna Constructions					-1.98		-1.98
<b>Less: Transfer to general reserve</b>							-0.97
Richa Industries Ltd.							
Richa Krishna Constructions							
<b>Balance as at 31 March, 2021 (as per Ind AS)</b>	<b>12.15</b>	<b>2,234.49</b>	<b>84.98</b>	<b>-29,468.51</b>	<b>168.56</b>	<b>-26,963.32</b>	<b>0.44</b>
Richa Krishna Constructions	-	-	-	-0.90	-	-0.90	-0.44

(3) As at transition date 1st April, 2020

	Reserves and Surplus				(Rs. in lakhs)		
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Other items of Other Comprehensive Income	Total Other Equity	Non Controlling Interest (NCI)
<b>Balance as at 31.03.2020 (as per IGAAP)</b>							
Richa Industries Ltd.	12.15	2,234.49	214.87	-25,356.34	-22,894.82		
Richa Krishna Constructions				2.88	2.88	1.41	
<b>Add/(less): Profit for the Year</b>							
Richa Industries Ltd.							
Richa Krishna Constructions							
<b>Add/(less): Transition Impact due to Ind AS adjustment</b>							
Richa Industries Ltd.	-	-	-	508.97	508.97		
<b>Less: Transfer to general reserve</b>							
Richa Industries Ltd.							
Richa Krishna Constructions							
<b>Balance as at 01.04.2020 (as per Ind AS)</b>	<b>12.15</b>	<b>2,234.49</b>	<b>214.87</b>	<b>-24,847.36</b>	<b>-</b>	<b>-22,385.85</b>	<b>-</b>
Richa Industries Ltd.	-	-	-	2.88	-	2.88	1.41
Richa Krishna Constructions							



*✓*

CONSOLIDATED

RICHA INDUSTRIES LIMITED

RICHA KRISHNA CONSTRUCTIONS

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Gross block	13,853.26	18,138.08	13,853.26	18,138.08
Less: accumulated depreciation	10,476.38	9,759.37	10,476.38	9,759.37
<b>Net block (details refer to note 3.1)</b>	<b>9,376.89</b>	<b>8,348.71</b>	<b>9,376.89</b>	<b>8,348.71</b>

Company has opted exemption under Ind AS 101, and accordingly carrying value as on 31.03.2020 has been considered as deemed cost except for Land.

Note [3b] - Non-current assets

Capital work in progress

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
	-	-	-	-

Note [3a] - Non-current assets  
Intangible assets  
Refer point 4 of Note [2] for accounting policy on intangible assets

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Gross block	201.88	201.88	201.88	201.88
Less: accumulated depreciation	193.21	193.10	193.21	193.10
<b>Net block (details refer to note 3.1)</b>	<b>8.67</b>	<b>8.78</b>	<b>8.67</b>	<b>8.78</b>

Company has opted exemption under Ind AS 101, and accordingly carrying value as on 31.03.2020 has been considered as deemed cost.

Disclosures as per Ind AS 38 has been given in notes to accounts.

Note [3b] - Non-current assets

Intangible assets under development

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
	-	-	-	-

Note 5 - Non-current assets

Financial Assets - Investments (Non-Current)

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Investment in Equity Instruments of M/s Richa Krishna Constructions Pvt. Ltd. (5100 nos. Equity shares, Face value of Rs.10 each)	0.51	0.51	0.51	0.51
<b>(Subsidiaries/Companies (Unquoted)</b>	<b>0.51</b>	<b>-</b>	<b>0.51</b>	<b>0.51</b>
<b>Total</b>	<b>0.51</b>	<b>0.51</b>	<b>0.51</b>	<b>0.51</b>



*14-11-2023*

Note 6 - Non-current assets  
Financial Assets - Trade Receivables (Non-Current)

Particulars	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022
Trade Receivables				
Less: Allowances for bad & doubtful debts	-	-	-	-
Less: Automatic price reduction adjustment	-	-	-	-
<b>Net Trade Receivables</b>	-	-	-	-
<b>Sub classification:</b>				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	-	-
Doubtful	-	-	-	-
Non Current Trade receivables include deferred debts (net of provisions)	-	-	-	-
Non Current Trade receivables include valuation adjustment	-	-	-	-
Due from Directors	-	-	-	-
Due from Officers	-	-	-	-

Note no. 7 - Non-current assets  
Financial Assets - Loans (Non-Current)

Particulars	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022
Loans to employees				
Loans to others				
Interest accrued and due on loans				
Less: Allowances for bad & doubtful loans				
<b>Sub classification:-</b>				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	-	-
Doubtful	-	-	-	-
<b>Security Deposits</b>				
Balance with port trust & others				
Deposits others				
Less: Allowances for bad & doubtful deposits				
<b>Sub classification:-</b>				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	-	-
Doubtful	-	-	-	-
<b>Includes:</b>				
Due from Directors				
Due from Officers				

Note no. 8 - Non-current assets  
Financial Assets - Others (Non-Current)

Particulars	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022
Fixed Deposits more than 12 months maturity period	394.31	399.48	130.45	124.49
Earmarked Balances with Banks (unclaimed dividend)	1.25	-	1.25	1.25
Rent Receivables on leased Assets	-	-	-	-
Security Deposits	395.56	400.73	131.70	125.64
<b>Total</b>				

Note no. 9  
Deferred tax assets (Net)

Particulars	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022
Figures as at the end of current reporting period 31/03/2023				
Provisions				
Statutory dues				
Deprecitions				
Others				

Particulars	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022
Figures as at the end of current reporting period 31/03/2023				
C. * SRI PRAKASH & Co. Chartered Accountants				
FRN NO. 002058C				
275.09	263.86	275.09	275.09	275.09



#### Note no. 10 Other non-current assets

Particulars	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022
Capital advance		
Advances for purchases		
Others		
less: Allowances for bad & doubtful advances		
Security Deposits		
Balance with customs and other Govt. Authorities		
Deposit - Others		
less: Allowances for bad & doubtful deposits		
Includes:		
Due from Directors		
Due from Officers		
<b>Total</b>	<b>1,937.74</b>	<b>2,040.09</b>

Inventories		
Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
(a) Raw Materials		
(b) Work-in Progress	107,90	247,69
(c) Finished Goods		

(d) Stores & Spares		376.33	14.44
(e) Leasehold PLOTS RIGHTS & Construction thereon		558.91	
<b>Total</b>		<b>3,425.56</b>	

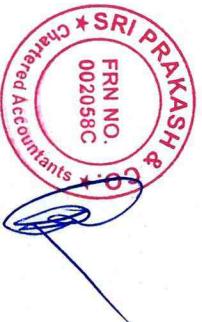
Financial Asset - Trade receivables (current)		
Particulars	Figures as at the end of current reporting period 31/03/2013	Figures as at the end of current reporting period 31/03/2012
Trade Receivables	4,999.38	4,650.28
Less: Allowances for bad & doubtful debts		
Less: Automatic price reduction adjustment		
<b>Net Trade Receivables</b>	<b>4,999.38</b>	<b>4,650.28</b>
Sub classification:		
Secured, considered good		
Unsecured, considered good	4,999.38	4,650.28
Doubtful		
Non Current Trade receivables include deferred debits (net of provisions)		
Non Current trade receivables include valuation adjustment		
Due from Directors		
Due from Officers		

Financial Assets - Cash & Cash equivalents (Current)	Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Cash & cash equivalents			
Balances with Banks			
Cash in Hand		30.58	26.60
Corporate liquid term deposits		1.77	2.30
Remittances in transit			
Deposits having a maturity of less than 3 months			
	<b>Total</b>	<b>32.35</b>	<b>39.28</b>
<b>Note no. 14</b>			
<b>Financial Assets - Bank Balances other than above - (Current)</b>			
	Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Deposits having maturity more than 3 months but not more than 12 months		299.09	308.73
<b>Total</b>		<b>299.09</b>	<b>308.73</b>

Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
30.58	26.60	0.46	0.50
1.31	1.80	0.33	10.38
31.89	28.40	0.79	10.88



	Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
<b>Loans to employees</b>		3.18	-
<b>Loans to others</b>		-	-
<b>Interest accrued and due on loans</b>		-	-
<b>Advances to Suppliers / Others</b>		-	-
<b>Less Allowances for bad &amp; doubtful loans</b>		397.07	45.31
<b>Sub classification:-</b>		-	-
<b>Secured, considered good</b>		-	-
<b>Unsecured, considered good</b>		400.25	45.59
<b>Doubtful</b>		-	-
<b>Security Deposits</b>		-	-
<b>Balance with bank/ trust &amp; others</b>		-	-
<b>Deposits others</b>		30.74	30.03
<b>Less: Allowances for bad &amp; doubtful deposits</b>		-	-
<b>Classification:-</b>		-	-
<b>Secured, considered good</b>		-	-
<b>Doubtful</b>		30.74	30.03
<b>Includes:</b>		-	-
<b>Due from Directors</b>		-	-
<b>Due from Officers</b>		-	-
<b>Total</b>		430.99	482.62
<b>Note no. 16</b>			
<b>Financial Assets - Others (Current)</b>			
	Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Interest Accrued on Banks Deposits and Investments		-	-
Prepaid Expenses:		6.62	9.15
Advance to employees		-	-
Less Allowances for bad & doubtful advances		-	-
<b>Includes:</b>		-	-
<b>Due from Directors</b>		-	-
<b>Due from Officers</b>		-	-
<b>Total</b>		6.62	9.15
<b>Note no. 17</b>			
<b>Current Tax Assets (Net)</b>			
	Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Advance Tax & TDS		-	-
Provision for Taxation		-	-
<b>Note no. 18</b>			
<b>Share Capital</b>			
	Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
<b>Equity Share Capital</b>			
<b>Authorised</b>			
Issued, Subscribed & Paid up Capital		3,000.00	3,001.00
<b>a) The reconciliation of the number of equity shares outstanding is set out below:</b>		2,351.69	2,352.69
Shares outstanding at the beginning of the year		-	-
Shares bought back during the year		2,351.69	2,352.69
Shares outstanding at the end of the year		2,351.69	2,352.69
<b>b) Details of shares held by shareholders holding more than 5% shares at the year end</b>		-	-
Rita Holdings Limited (32.53%)		762.12	762.12
Rita Industries Limited (51%)		0.51	0.51
IND Sanitation Solution Pvt.Ltd. (NCL)		-	-
<b>c) Terms &amp; rights attached to the equity shares:</b>		-	-



## Financial Liabilities - Borrowings (Non-Current)

Particulars	Figures as at the end of current reporting period 31.03.2023		Figures as at the end of current reporting period 31.03.2022	
	Secured	Unsecured	Secured	Unsecured
<b>Long term maturities of finance lease obligations</b>				
<b>Long Term Borrowings</b>				
a) Banks		8,785.35	8,319.73	
b) Others		82.12	82.12	
	<b>Sub-Total Secured</b>	<b>8,867.47</b>	<b>8,901.86</b>	
<b>Unsecured</b>				
<b>Long term maturities of finance lease obligations</b>				
<b>Loans and Advances from Related Parties</b>				
- Recha Building Systems Private Limited		-	-	
- Recha Holdings Limited		701.87	701.87	
From other Parties		412.34	405.10	
<b>NON-Convertible Debentures</b>				
	<b>Sub-Total (Unsecured)</b>	<b>1,010.53</b>	<b>1,010.53</b>	
	<b>Total</b>	<b>10,992.21</b>	<b>2,124.74</b>	
		11,019.36		

Note no. 22 Provisions (Non-Current)		Figures as at the end of current reporting period 31.03.2023		Figures as at the end of current reporting period 31.03.2022	
		Particulars	Figures as at the end of current reporting period 31.03.2023	Particulars	Figures as at the end of current reporting period 31.03.2022
<b>Long-Term Provisions</b>					
<b>(a) Provision for employee benefit*</b>					
- Provision for Gratuity					
- Provision for Leave Encashment					
<b>(b) Others</b>	(i)				
	(ii)				
- Accumulated Depreciation upto 2021-22					
- Provision for Income Tax					
<b>Total</b>			10,891.82		10,114.71

Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
81.48	-	81.48	-
81.48	-	81.48	-
10.801.82	10.114.71	10.801.82	10.114.71

## Other financial liabilities (Non-Current)

## Financial Liabilities - Trade payables (Non-Current)

### Financial Lia

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Note no. 23  
Deferred Tax Liability (Net)

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Deferred Tax Liability	1,652.47	1,140.21	1,652.47	1,140.21

Note no. 24  
Other Liabilities (Non-current)

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
(disclosure as per micro and small enterprises)				

Note no. 25  
Financial Liabilities - Borrowings (Current)

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
<b>Secured</b>				
Long term maturities of finance lease obligations				
Long Term Borrowings				
a) Banks	13,698.16	13,704.31	13,698.16	13,704.31
b) Others	12,028.79	-	12,028.79	-
<b>Sub-Total (Secured)</b>	<b>25,726.96</b>	<b>13,704.31</b>	<b>25,726.96</b>	<b>13,704.31</b>
<b>Unsecured</b>				
Long term maturities of finance lease obligations				
Loans and Advances from Related parties				
-Richa Building Systems Private Limited	3,731.53	3,180.89	3,731.53	3,180.89
-Richa Holdings Limited	525.37	525.37	525.37	525.37
From other parties	620.00	423.38	620.00	423.38
NON-Convertible Debentures				
<b>Sub-Total (Unsecured)</b>	<b>4,876.90</b>	<b>28,831.23</b>	<b>4,876.90</b>	<b>28,831.23</b>
<b>Total</b>	<b>30,603.86</b>	<b>42,553.54</b>	<b>27,016.09</b>	<b>36,774.64</b>

Note no. 26  
Financial Liabilities - Trade Payables (Current)

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Other than Micro and Small Enterprises	3,132.71	2,876.60	2,791.19	2,689.68
<b>Total</b>	<b>3,132.71</b>	<b>2,876.60</b>	<b>2,791.19</b>	<b>2,689.68</b>

Note no. 26

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Other than Micro and Small Enterprises	3,132.71	2,876.60	2,791.19	2,689.68
<b>Total</b>	<b>3,132.71</b>	<b>2,876.60</b>	<b>2,791.19</b>	<b>2,689.68</b>
			340.93	186.92

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
			340.93	186.92



Note no. 27  
Other Liabilities (Current)

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Other Current Liabilities		
(a) Bills payable/acceptances under LC		
(b) Total outstanding dues of creditors other (other than micro enterprises due of creditor others)		
Current Maturities of Long Term Debt**		
Creditors for capital goods		
Creditors for expenses		
Advances received for which value has still to be given		
Unclaimed Final Dividend for earlier Years *		
Securities/Retention payable		
Sales tax payable /VAT Payable		
TDS & TCS Payable		
Service Tax Payable		
GST Payable		
Audit Fee Payable		
Expenses payable		
Employee Imprest Payable		
<b>Total</b>	<b>4,055.05</b>	<b>4,031.48</b>

Note no. 28  
Provisions (Current)

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Short Term Provisions				
(a) Provision for employees benefits				
(i) Payable PF, ESF & Welfare Fund				
(ii) Insurance/Pension and similar staff benefits				
(b) Others				
(i) Provision for Income Tax				
(ii) Provision for Pending Litigation / Disputes *				
<b>Total</b>	<b>373.18</b>	<b>389.05</b>	<b>373.18</b>	<b>388.13</b>

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Short Term Provisions		
(a) Provision for employees benefits		
(i) Payable PF, ESF & Welfare Fund		
(ii) Insurance/Pension and similar staff benefits		
(b) Others		
(i) Provision for Income Tax		
(ii) Provision for Pending Litigation / Disputes *		
<b>Total</b>	<b>373.18</b>	<b>389.05</b>



### Revenue from operations

Particulars	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022
Sale less returns	261.55	287,723.00
Income from Services	2,310.60	3,393.78
less: Fair value adjustment A/c	-	
<b>Other operational income</b>	<b>Net Sales (a)</b>	<b>2,572.17</b>
Export incentives		
Finance income on assets given on finance lease		
Scrap income	15.18	19.93
<b>Freight &amp; insurance income</b>		
<b>Fair value adjustment (Unwinding) A/c</b>		
Others		
	<b>Other Operational Income (b)</b>	<b>15.18</b>
<b>Revenue from operations (a+b)</b>		
a. includes based on provisional prices	2,587.34	3,701.03
b. includes additional claim for despatches made in earlier year in accordance with price settlement with railways during the year.		
c. includes for escalation claims raised in accordance with sales contracts, inclusive of escalation claims on accrual basis, to the extent latest indices were available;		
d. includes despatches of equipment valued at held on behalf of customers at their request for which payment has been received by Company; and		
e. excludes for price reduction (net of refund) due to delay in delivery as per the terms of the contract.		

### Other Income

1

		Figures as at the end of current reporting period 31/03/2023	
		Figures as at the end of current reporting period 31/03/2022.	
<b>Other income</b>			
<b>Government Grant</b>			
Profit from sale of item of PPE			
Exchange variation (C. Balance)			
Dividend on Investment (Long term Trade)			
Others			
Unclaimed balances W/off & short & Excess			
Rent Received			
Advance Forfeited/Bad Debts Recoveries			
Miscellaneous Receipts			
<b>Other Income (a)</b>			
Interest Income			
From banks			
Others			
<b>Interest Income (b)</b>			
<b>Total (a+b)</b>			
33.06			
32.10			

### Cost of ma

cost of material consumption, erection and engineering expenses

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Consumption of raw material & components	1,270.66	2,647.17
Consumption of stores & spares (purchase of stock in trade)	-	0.02
Erection and Engineering exp - payment to subcontractors	-	-
Less: PV Adjustment Material/Subcontracting Cost		
<b>Total</b>	<b>1,270.66</b>	<b>2,647.19</b>



Note no. 32  
Changes in inventories of finished goods and work in progress

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Work-in-progress	-	-	107.90	205.78
Opening Balance	-	-	205.78	200.76
Closing Balance	-	-	107.90	205.78
Initiated Goods	-	-	-	-
Opening Balance	-	-	74.48	-
Closing Balance	3,231.10	2,909.77	102.71	102.71
Consumable Stores	-	-	-	-
Opening Balance	2,905.77	2,074.38	79.43	2,807.06
Total	-	-	-	-
(i) INCREASE /DECREASE IN WIP/ FINISHED GOODS/CONSUMABLES	-239.97	-794.69	109.59	17.42

Note no. 33  
Employee benefits expenses

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Salaries, wages, bonus, allowances & other benefits contribution to provident and other funds	587.95	639.63	587.95	639.63
Group insurance	27.42	31.73	27.42	31.73
Staff welfare expenses	-	-	-	-
Employee Retirement & Other Benefits	2.48	2.31	2.48	2.31
(i) Gratuity & Leave Encashment-Provided/Adv/Reverses	-	-	-	-
Total	617.85	673.66	617.85	673.66

Note no. 34  
Other expenses of manufacture, administration, selling & distribution

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
(A) MANUFACTURING EXPENSES				
(a) Outside Job Work/ Erection Charges	163.40	622.12	163.40	622.12
(b) Power and fuel	209.67	294.60	205.67	294.60
(c) Water & Sewerage Charges	0.21	0.20	0.21	0.20
(d) Consumption of stores and spare parts	0.04	0.02	0.04	0.02
(e) Repairs to Machinery & Hiring Charges	1.04	4.21	1.04	4.21
(f) Freight on Purchase	4.80	6.12	4.80	6.12
Sub-total (A)	379.16	927.28	379.16	927.28
(B) ADMINISTRATIVE EXPENSES				
(a) Auditors remuneration & Out-of-pocket Expenses	-	-	-	-
(b) Books & periodicals	-	-	-	-
(c) Charity & Donation	-	0.03	-	0.03
(d) Commission/ Sitting fees to Non WTD	-	-	-	-
(e) Director Travelling & Conveyance	-	-	-	-
(f) Dwell Expenses	-	-	-	-
(g) Miscellaneous Expenses	1.44	0.41	1.44	0.41
(h) Insurance (Others)	6.96	10.34	6.96	10.34
(i) Insurance (on cars)	11.48	12.28	10.78	12.28
(j) Legal & Professional Charges	0.49	0.29	0.49	0.29
(k) Out of pocket Expenses- Consultant	142.38	185.49	142.23	184.74
(l) AGM & Meeting Expenses	1.00	0.20	-	0.20
(m) Postage / Telegraph/ Courier Expenses	0.95	0.09	1.00	0.60
(n) Printing & stationery Expenses	3.22	3.18	3.22	3.18
(o) Rates & Taxes, Excluding taxes on income	13.24	16.96	15.40	15.40
(p) Rent	7.52	10.76	5.08	1.56

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Sub-total (B)	617.85	673.66	349.55	-812.11



(q) Repairs to Buildings	30.55	66.08	30.55	66.08
(r) Repair - Computer	4.15	7.55	4.15	7.55
(s) Running & Maintenance - Vehicle Commercial	-	-	-	-
(t) Running & Maintenance - Vehicle Others	63.79	101.14	63.79	101.14
(u) Watch Wards/Security	41.15	40.81	41.15	40.81
(v) Repair- Electricals	6.41	8.76	6.41	8.76
(w) Subscription & Membership Fee	0.20	-	0.20	-
(x) Telephone, Modem & Internet Expenses	4.38	2.60	4.38	2.60
(y) Testing & Designing Expenses	0.34	0.32	0.34	0.32
(z) Travelling & Conveyance Expenses	9.80	24.88	9.80	24.88
(e) i) Office Maintenance Expenses	6.85	19.69	6.85	19.69
(z) ii) CSR Expenses	-	-	-	-
(z) iii) NCD Issue Expenses	-	-	-	-
(z) iv) IRP Fees	-	-	-	-
(z) v) Repair and maintenance (others)	3.06	-	3.06	-
(z) vi) Sewerage & Water charges	1.07	2.05	1.07	2.05
<b>Sub-total (8)</b>	<b>360.93</b>	<b>514.51</b>	<b>354.50</b>	<b>512.20</b>

Note no. 35  
Provisions [Net]

Particulars	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Doubtful debts, Liquidated Damages and Loans, advances & deposits				
Created during the year				
Less: written back during the year				
Contractual Obligations				
Created during the year				
Less: written back during the year				
Others				
Created during the year				
Less: written back during the year				
<b>Total (A+B+C)</b>	<b>743.71</b>	<b>1,568.42</b>	<b>737.28</b>	<b>1,566.12</b>

	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of current reporting period 31.03.2023	Figures as at the end of current reporting period 31.03.2022
Doubtful debts, Liquidated Damages and Loans, advances & deposits				
Created during the year				
Less: written back during the year				
Contractual Obligations				
Created during the year				
Less: written back during the year				
Others				
Created during the year				
Less: written back during the year				
<b>Total (A+B+C)</b>	<b>6.43</b>	<b>2.31</b>	<b>6.43</b>	<b>2.31</b>



Particulars	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022
(a) Interest expenses				
(i) to Banks on Working Capital Loans	-	3.29	-	3.29
(ii) to Banks on Term Loans	-	-	-	-
(Net of IUF Interest Subsidy ₹ 1418813 , Previous Year ₹ )	-	-	-	-
(iii) on other accounts	1,224.99	13.50	1,119.04	-
(b) Other borrowing costs	-	2,206.39	2,206.39	105.95
(i) Bank Charges	0.05	0.17	0.05	0.17
(c) Applicable Net Gain/Loss on Foreign Currency Transactions and Translations	-	-	-	-
<b>Total</b>	<b>1,225.03</b>	<b>2,223.35</b>	<b>1,119.09</b>	<b>2,209.85</b>

Note no. 37  
Depreciation and Amortisation Expense

Particulars	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022
Depreciation and Amortisation Expense	687.12	840.96	687.12	840.96
<b>Total</b>	<b>687.12</b>	<b>840.96</b>	<b>687.12</b>	<b>840.96</b>

Note no. 38  
Tax expense

Particulars	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022
a) Current Tax				
For Current Years				
For earlier Years				
<b>Total Current Tax</b>	<b>687.12</b>	<b>840.96</b>	<b>687.12</b>	<b>840.96</b>
b) Deferred Tax				
For Current Years				
For earlier Years				
<b>Total Deferred Tax</b>	<b>670.45</b>	<b>840.96</b>	<b>670.45</b>	<b>840.96</b>

Note no. 39  
Other Comprehensive Income

Particulars	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022	Figures as at the end of current reporting period 31/03/2023	Figures as at the end of current reporting period 31/03/2022
Gain on FcMV of Land				
FcMV as on 31/03/2022	3,606.55	3,606.55	3,606.55	3,606.55
FcMV as on 31/03/2021	2,648.77	2,648.77	2,648.77	2,648.77
FcMV as on 01/04/2020	-	-	-	-
Carrying value as on 01/04/2020 (₹ 5,189 (a/b))				
<b>Gain on FcMV of Land</b>	<b>957.78</b>	<b>957.78</b>	<b>957.78</b>	<b>957.78</b>
<b>Total OCI</b>	<b>957.78</b>	<b>957.78</b>	<b>957.78</b>	<b>957.78</b>
Tax impact @30%	287.33	287.33	287.33	287.33
<b>OCI net of Tax</b>	<b>670.45</b>	<b>670.45</b>	<b>670.45</b>	<b>670.45</b>



Note no. 40  
Exceptional / Extraordinary items

Particulars	Figures as at the end of current reporting Period 31.03.2023	Figures as at the end of current reporting Period 31.03.2022
(d) Loss on sale of fixed assets		
(b) Loss on inventory evaluation		
(c) Loss on sale of investment		
<b>total</b>	<b>26.48</b>	

Note no. 41  
Earning Per Share

Particulars	Figures as at the end of current reporting Period 31.03.2023	Figures as at the end of current reporting Period 31.03.2022
Profit attributable to equity shareholders		
Weighted average number of equity shares		
Basic and diluted earnings\$ per share (in INR)		

Figures as at the end of current reporting Period 31.03.2023	Figures as at the end of current reporting Period 31.03.2022

Figures as at the end of current reporting Period 31.03.2023	Figures as at the end of current reporting Period 31.03.2022

Figures as at the end of current reporting Period 31.03.2023	Figures as at the end of current reporting Period 31.03.2022



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