

INDEPENDENT AUDITORS' REPORT

To the Members of
REL RURAL WAREHOUSING LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of **REL RURAL WAREHOUSING LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit including other comprehensive income, changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013, 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 opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements for the financial period ended March 31, 2022. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

There are no key audit matters to be reported.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the Standalone Ind AS financial statements and our auditor's report thereon. Our opinion on the Standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibility of Management for 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 of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Ind AS 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 financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the "***Annexure A***" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules thereunder;
 - e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "***Annexure B***";
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year and
 - h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

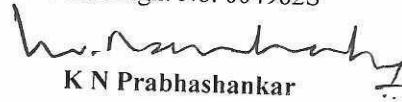


- b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- d) The Company has not declared/paid any dividend during the year.

Place: Mumbai
Date: May 21, 2022



K N Prabhaskar & Co.
Chartered Accountants
Firm Regn. No. 004982S


K N Prabhaskar

Partner
Membership No. 222945
UDIN: 22019575ANFKPS2501

Annexure 'A' to the Auditors' Report

The Annexure referred to in our report to the members of **REL Rural Warehousing Limited** for the period ended March 31, 2022. We report that:

- i) a) A) The Company does not have any Property, Plant and Equipment and hence further reporting on clause (i) sub clause b) and d) of the order is not applicable.
B) The Company does not have any Intangible Assets.
c) The Company does not have any immovable properties.
e) According to the information and explanations given to us, there are no proceedings which has been initiated or pending against the Company for holding any benami property under Benami Transactions (Prohibition) Act, 1988. Hence, reporting whether the Company has appropriately disclosed in the financial statements or not does not arise.
- ii) a) The company does not have any inventories. Hence provisions with regard to reporting on Physical Verification and discrepancies thereon does not apply.
b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with the banks or financial institutions are in agreement with the books of account of the Company.
- iii) The Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Hence, further reporting under the sub-clauses (a) to (f) does not apply.
- iv) The Company has no loans, investments, guarantees and security. Hence compliance under section 185 and 186 of the Companies Act, 2013 does not arise.
- v) According to the information and explanations given to us, the Company has not accepted deposits, hence reporting on clause (v) of the order is not applicable.
- vi) The Central Government has not prescribed maintenance of cost records u/s. 148(1) of the Companies Act, 2013.
- vii) a) According to the information and explanations given to us and as per books and records examined by us, there are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service Tax, Goods and Services Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues to the appropriate authorities outstanding as at March 31, 2022 for a period exceeding six months from the date they became payable.
b) According to the information and explanations given to us and as per the records examined by us, there are no disputed amounts in respect of Income tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value Added Tax as at March 31, 2022.
- viii) As per the information and explanations given to us and as per the records examined by us, there are no such transactions which are not recorded in the books of account and which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) a) As per the information and explanations given to us and on the basis of our examination of books and records, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to the banks.
b) As per the information and explanations given to us, the Company is not a declared wilful defaulter by any bank or financial institution or other lender.
c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
d) As per the information and explanations given to us and on the basis of our examination of books and records, the funds raised on short term basis have not been utilised for long term purposes.
e) As per the information and explanations given to us and on the basis of our examination of books and records, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
f) As per the information and explanations given to us and on the basis of our examination of books and records, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

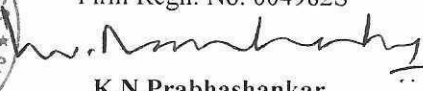


- x) a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under clause 3(x)(a) of the Order is not applicable.
b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence, reporting on the compliance under Section 42 and Section 62 of the Companies Act, 2013 does not arise.
- xi) a) As per information and explanations given to us and on the basis of our examinations of books and records, there were no frauds by the Company or on the Company that has been noticed or reported during the year.
b) As there were no frauds noticed or reported during the year, filing of report under sub-section (12) of section 143 of the Companies Act by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government does not arise.
c) As per information and explanations given to us and on the basis of our examinations of books and records, there were no whistle-blower complaints received during the year by the company.
- xii) This is not a Nidhi Company, hence reporting under clause (xii) does not apply.
- xiii) As per information and explanations given to us and on the basis of our examinations of books and records, all the transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv) a) Based on the size of the Company, the mandatory Internal audit system clause u/s 138 of the Companies Act 2013 is not applicable to the company.
b) Since Internal audit is not applicable to the Company, consideration of Internal audit report does not arise.
- xv) The Company has not entered into any non-cash transactions with directors or persons connected with them and hence reporting on this clause is not applicable.
- xvi) a) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Further, reporting on sub clause (b) to (d) does not apply.
- xvii) The Company has not incurred cash losses in the financial year. Being first year of operation, reporting on previous year does not apply.
- xviii) There has been no resignation of the statutory auditors during the year.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, as per our knowledge of the Board of Directors and management plans, we are of the opinion no material uncertainty exists as on the date of the audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx) Since the Company does not come within the purview of Section 135 of the Companies Act 2013, reporting under this clause is not applicable.
- xxi) Being reporting on Standalone Company, this clause does not apply.

Place: Mumbai
Date: May 21, 2022



K N Prabhaskar & Co.
Chartered Accountants
Firm Regn. No. 004982S


K N Prabhaskar
Partner
Membership No. 222945
UDIN: 22019575ANFKPS2501

Annexure 'B' to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **REL Rural Warehousing Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls over Financial Reporting

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

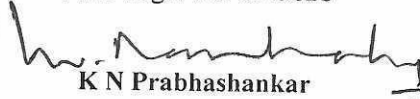
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Mumbai
Date: May 21, 2022



K N Prabhashankar & Co.
Chartered Accountants
Firm Regn. No. 004982S


K N Prabhashankar
Partner

Membership No. 222945
UDIN: 22019575ANFKPS2501

REL RURAL WAREHOUSING LIMITED
Balance Sheet as at March 31, 2022

(Amount in ₹)
March 31, 2022

<u>ASSETS</u>	Notes	
(1) Non-Current Assets		
(a) Property Plant & Equipment		-
(b) Capital Work-in-Progress		-
(c) Financial Assets		-
(d) Other Non-Current Assets		-
(2) Current assets		
(a) Inventories		-
(b) Financials Assets		-
(i) Investments		-
(ii) Trade Receivables	2	7,39,09,649
(iii) Cash and Cash Equivalents		-
(c) Current Tax Assets (Net)	3	56,57,429
(d) Other Current Assets	4	45,91,69,690
TOTAL ASSETS		53,87,36,768

EQUITY & LIABILITIES

Equity

(a) Equity Share Capital	5	1,07,00,000
(b) Other equity	6	11,88,053

Liabilities

(1) Non-current Liabilities

(a) Financial Liabilities		-
(i) Borrowings		-
(b) Deferred Tax Liabilities (Net)		-

(2) Current Liabilities

(a) Financial Liabilities		
(i) Borrowings	7	50,90,04,458
(ii) Trade Payables	8	1,22,72,413
(iii) Other financial liabilities		-
(d) Other Current Liabilities	9	55,71,845

TOTAL LIABILITIES

53,87,36,768

Accompanying Notes 1 to 16 form an integral part of this financial statements

As per our report of even date

For K N Prabhaskar & Co.,

Chartered Accountants

Firm Reg. No - 004982S

K.N. Prabhaskar

K.N.Prabhaskar

Partner

Membership No - 019575



For and on behalf of the Board

Shantanu Lath

Shantanu Lath

Director

DIN: 07876175

Vishwanath Matur

Vishwanath Matur

Director

DIN: 00349774

Place : Mumbai

Date : May 21, 2022

REL RURAL WAREHOUSING LIMITED
Statement of Profit and Loss for the period September 30, 2021 to March 31, 2022

		(Amount in ₹)
		<u>For the Period</u>
		<u>September 30, 2021 to</u>
		<u>March 31, 2022</u>
Particulars	Notes	
Revenue from Operations	10	3,73,04,65,139
Other Income		-
Total Income		<u>3,73,04,65,139</u>
Expenditure		
Cost of Materials Consumed		-
Purchases of Stock-in-Trade	11	3,61,63,11,547
Changes in Inventories of Stock-In-Trade		-
Employee Benefit Expenses		-
Financial Costs	12	1,51,45,476
Depreciation and Amortization Expense		-
Other Expenses	13	9,71,07,196
Total Expenses		<u>3,72,85,64,219</u>
Profit/(Loss) before exceptional items and tax		<u>19,00,920</u>
Exceptional Items		-
Profit/(Loss) Before Tax		<u>19,00,920</u>
(a) Current Tax	14	7,12,867
(b) Deferred Tax		-
Profit/(Loss) for the year		<u>11,88,053</u>
Other Comprehensive Income		
Items that will not be reclassified to profit or loss		-
Total Comprehensive Income		<u>11,88,053</u>
Earnings per equity share:	15	
(1) Basic		2.71
(2) Diluted		2.71

Accompanying Notes 1 to 16 form an integral part of this financial statements

As per our report of even date

For K N Prabhashankar & Co.,

Chartered Accountants

Firm Reg. No - 004982S



K.N.Prabhashankar

Partner

Membership No - 019575




For and on behalf of the Board


Shantanu Lath

Director

DIN: 07876175


Vishwanath Matur

Director

DIN: 00349774

Place : Mumbai

Date : May 21, 2022

REL RURAL WAREHOUSING LIMITED
Cash Flow Statement for the for the period September 30, 2021 to March 31, 2022

Particulars	(Amount in ₹) For the Period September 30, 2021 to March 31, 2022
Cash Flow From Operating Activities:	
Profit before taxation	19,00,920
Adjustments to reconcile profit before tax to net cash provided by operating activities:	
Interest on Loan	1,51,45,476
Operating profit before working capital changes	<u>1,70,46,396</u>
Changes in operating assets and liabilities:	
Trade receivables	(7,39,09,649)
Other receivables	(46,55,39,986)
Trade and other payables	1,71,31,391
Cash generated from operations	<u>(50,52,71,848)</u>
Income-tax paid	7,12,867
Net Cash Flow From Operating Activities	<u>(50,45,58,981)</u>
Cash Flow From Investing Activities:	
Purchase of Fixed Assets (Incl CWIP)	-
Proceeds from Sale of Asset	-
Net Cash Flow From Investing Activities	<u>-</u>
Cash Flow From Financing Activities:	
Increase in Capital	1,07,00,000
Interest Paid	(1,51,45,476)
Proceeds from Short-term borrowings	1,05,06,67,612
Repayment of Short-term borrowings	(54,16,63,154)
Net Cash Flow From Financing Activities	<u>50,45,58,981</u>
Net increase in cash and cash equivalents	<u>-</u>
Opening cash and cash equivalents	-
Closing cash and cash equivalents	<u>-</u>

Accompanying Notes 1 to 16 form an integral part of this financial statements

To be read with our report of even date
For K N Prabhashankar & Co.,
Chartered Accountants
Firm Reg. No - 004982S

K.N. Prabhashankar

K.N. Prabhashankar
Partner
Membership No - 019575



For and on behalf of the Board

Shantanu Lath
Shantanu Lath
Director
DIN: 07876175

Vishwanath Matur
Vishwanath Matur
Director
DIN: 00349774

Place : Mumbai
Date : May 21, 2022

REL Rural Warehousing Limited
Notes to Accounts forming part of the Financial Statements
For the year ended March 31, 2022

Note : 1

A. Corporate information

REL Rural Warehousing Limited ("the Company") is a public company incorporated and domiciled in India. The registered office of the company is located at BC 109 Davidson Road, Camp, Belagavi - 590001.

The Company is principally engaged in buy, sell, export, import, deal, in all types of commodities, goods, things as general traders and merchants & generate, distribute, supply, sell and trade of renewable energy, and consultancy in the field of renewable energy, warehousing, commodity trading and collateral management services.

B. Significant accounting policies

i. Basis of Preparation:

The financial statements of REL Rural Warehousing Limited ("the Company") has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. The financial statements have been prepared on a going concern basis under the historical cost convention on the accrual basis of accounting. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016

The financial statements are prepared in Indian Rupees (₹), which is also the Company's functional currency.

ii. Use of estimates:

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which such changes are made.

iii. Property, Plant & Equipment:

Property, plant and equipment (Tangible and Intangible) are stated at cost less accumulated depreciation. Cost comprises the purchase price and any cost attributable to bringing the asset to the location and condition necessary for its intended use.

iv. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.



v. Depreciation & Amortization

Depreciation on PPE bought/sold during the year is charged on straight line method as per the useful life in Schedule II of Companies Act, 2013 depending upon the financial year in which the assets are installed/sold.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

vi. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Current investments are carried at lower of cost or fair value / market value determined on an individual investment basis. Non-current investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. Profit/loss on sale of investments is computed with reference to their average cost.

vii. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- a. Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on first in, first out basis.
- b. Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

viii. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

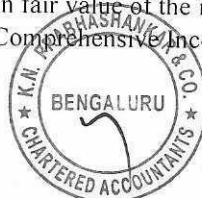
ix. Foreign currency transactions:

Initial Recognition:

Transactions in foreign currencies are initially recorded by the Company at functional currency rates at the date the transaction.

Conversion:

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or profit or loss are also recognised in OCI or profit or loss, respectively).



Exchange Differences:

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements, are recognized as income or as expenses in the period in which they arise.

x. Income Tax

Tax expenses comprise both current and deferred taxes.

The **Current tax** is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss due to the effect of items of income or expense that are taxable or deductible in other years and items that are not taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Current income tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity.

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilized. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

xi. Provisions and Contingent liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

xii. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



xiii. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- a. Expected to be realised or intended to be sold or consumed in normal operating cycle
- b. Held primarily for the purpose of trading, or
- c. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- a. It is expected to be settled in normal operating cycle
- b. It is held primarily for the purpose of trading, or
- c. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.



REL RURAL WAREHOUSING LIMITED
Notes to Accounts forming part of the Financial Statements
for the period ended March 31, 2022

(Amount in ₹)
March 31, 2022

Note 2: Trade Receivables

Trade Receivables

7,39,09,649

7,39,09,649

Trade Receivables Ageing Schedule

(i) Undisputed Trade Receivables - Considered good

- less than 6 months

- 6 months to 1 year

- 1-2 years

- 2-3 years

- More than 3 years

7,39,09,649

-

-

-

-

(ii) Undisputed Trade Receivables - Considered doubtful

(iii) Disputed Trade Receivables - Considered good

(iv) Disputed Trade Receivables - Considered doubtful

7,39,09,649

Note 3: Current Tax Asset (Net)

Current Tax Asset (Net)

56,57,429

56,57,429

Note 4: Other Current Assets

Deposits

Advances to Suppliers

Prepaid Expenses

10,000

45,87,67,323

3,92,367

45,91,69,690

Note 5: Equity Share Capital

(a) Authorised:

50,00,000 Equity shares of Rs.10/- each

5,00,00,000

5,00,00,000

(b) Issued, Subscribed & Paid Up:

10,70,000 Equity shares of Rs.10/- each

1,07,00,000

1,07,00,000

(c) Shareholding of Promoters

Name of the Promoter

(i). Ravindra Energy Limited

(ii). Mr. Sidram Kaluti

(iii). Mr. Narendra Murkumbi

(iv). Mr. Vishwanath Mathur

(v). Mr. Shantanu Lath

(vi). Mr. Vadiraj P Mutalik

(vii). Mr. Vikas Pawar

No of shares : % of Holding

10,69,994 : 99.94%

1 : 0.01%

1 : 0.01%

1 : 0.01%

1 : 0.01%

1 : 0.01%

1 : 0.01%

1070000 : 100.00%

(d) Reconciliation of the Number of Shares Outstanding at the beginning and at the end of the Reporting Period :

No of Shares at beginning of the period

No of shares addition during the period

No of Shares Outstanding at the year end

No of Sahres

10,70,000

10,70,000

(e) Shareholding more than 5% of share capital (Number of Shares; Percentage of Holding)

Ravindra Energy Limited (including holding by representatives)

10,70,000 ; 100%



NOTE 6: OTHER EQUITY

	(Amount in ₹)	
	Reserves and Surplus Retained Earnings	Total
Profit/(Loss) for the period September 30, 2021 to March 31, 2022	11,88,053	11,88,053
Other Comprehensive Income	-	-
As at March 31, 2022	11,88,053	11,88,053



Current Liabilities**Note 7: Borrowings****Secured Loans:****From Banks:**

Ratnakar Bank Ltd - Cash Credit

(Secured against Book debts and inventories)

19,71,42,684

Unsecured Loans :**From Related Parties**

ICD- Ravindra Energy Limited

Khandepar Investement Private Limited- ICD

Narendra M Murkumbi

23,81,61,295

6,37,00,479

1,00,00,000

50,90,04,458**Note 8: Trade Payables**

(A) Total outstanding dues of micro and small enterprises

63,78,442

(B) Total outstanding dues of creditors other than micro and small enterprises:
For Goods and Services

Others

58,93,971

Trade Payables Aging schedule

(i) MSME

- Less than 1 year

- 1-2 years

- 2-3 years

- More than 3 years

Total

63,78,442

-

-

-

63,78,442

(ii) Others

- Less than 1 year

- 1-2 years

- 2-3 years

- More than 3 years

58,93,971

-

-

-

58,93,971**Note 9: Other Current Liabilities**

Other Payables

Statutory Liabilities - GST & TDS

46,80,750

8,91,095

55,71,845

REL RURAL WAREHOUSING LIMITED
Accounting period September 30, 2021 to March 31, 2022
Notes to Accounts forming part of the Financial Statements

(Amount in ₹)
For the Period September
30, 2021 to March 31,
2022

Note 10: Revenue From Operations

Sugar Trade

3,73,04,65,139

3,73,04,65,139

Note 11: Purchases of Stock-in-Trade

Purchase of Sugar

3,61,63,11,547

3,61,63,11,547

Note 12: Finance Cost

Interest on Borrowings

Bank Charges

1,36,43,029

15,02,447

1,51,45,476

Note 13: Other Expenses

Audit Fees

Legal & Professional Expenses

Rates, Taxes and Fees

Insurance Expenses

Transportation Charges

Handling Charges

Freight Inward /Outward

Misc Expenses

1,00,000

12,88,500

13,92,659

1,51,313

8,16,34,525

3,97,125

1,21,41,870

1,204

9,71,07,196

Note 14: Current Tax:

Current Tax

MAT Credit Entitlement

7,12,867

-

7,12,867

Note 15: Earnings Per Share :

Net Profit/(Loss) for the period ended

Weighted average Number of Shares Outstanding

Basic and Diluted Earnings Per Share(Rs)

11,88,053

4,38,384

2.71



NOTE 16 : OTHER NOTES TO ACCOUNTS:

1 Sundry Debtors, Sundry Creditors and all Advance Accounts are subject to confirmation.

2 **Contingent Liability** Nil

3 Expenditure in foreign currency Nil

4 Earnings in foreign exchange Nil

5 Auditors' Remuneration

Statutory Audit fee 1,00,600
GST 18,000

6 Transactions with Related Parties:

- i. Ravindra Energy Limited
- ii. Khandepar Investement Private Limited
- iii. Mr. Narendra Murkumbi

i. Ravindra Energy Limited

i. Nature of Transactions

Volume of transactions during the period
Interest Charged for the year
Advances Repaid Including interest
Outstanding as at the end of the period

Inter Corporate Deposit

(49,64,84,529)
44,00,215
26,27,23,449
(23,81,61,295)

iii. Nature of Transactions

Volume of transaction during the year
Advances paid
Outstanding at the end of the year

Expenses Re-imbursement

(46,43,136.00)
39,95,136
(6,48,000)

ii Khandepar Investement Private Limited

i. Nature of Transactions

Volume of transaction during the year
Interest Paid
Outstanding at the end of the year

Inter Corporate Deposit

(12,00,00,000)
41,11,643
(6,37,00,479)

iii Mr. Narendra Murkumbi- Director

i. Nature of Transactions

Volume of transaction during the year
Interest Paid
Outstanding at the end of the year

Inter Corporate Deposit

(15,90,00,000)
-
(1,00,00,000)



7 Analytical Ratio's:

Ratio's	Numerator	Denominator	Current Year Ratios
(a) Current Ratio	Current Assets	Current Liabilities	1.02
(b) Debt-Equity Ratio	Total Debt	Shareholder Equity	42.82
(c) Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	0.03
(d) Return on Equity Ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.10
(e) Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	NA
(f) Trade Receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivable	50.47
(g) Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	294.67
(h) Net capital turnover ratio	Net Sales	Working Capital	313.80
(i) Net profit ratio	Net Profit	Net Sales	0.000318
(j) Return on Capital employed	Earning before interest and taxes	Capital Employed*	0.03
(k) Return on investment	Return on Investments recognised	Total Investments	NA

* Capital Employed = Tangible Net worth + Debt + Deferred Tax

Note : % of Variance & Reason for Variance is not provided due to Company being incorporated in Current year

7 The Company was incorporated as on 30 Septemebr, 2021. Since being the first year of operation, comparative figures have not been shown.

For K N Prabhashankar & Co.,
Chartered Accountants
Firm Reg. No - 004982S

For and on behalf of the Board



K.N.Prabhashankar
Partner
Membership No - 019575





Shantanu Lath
Director
DIN: 07876175



Vishwanath Matur
Director
DIN: 00349774

Place : Mumbai

Date : May 21, 2022