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AIRFLOA RAIL TECHNOLOGY PRIVATE LIMITED

BOARD'S REPORT

To,
The Members of
M/s. Airflood Rail Technology Private Limited

The Board of Directors take pleasure in presenting the 25th Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31st March 2024.

FINANCIAL RESULTS AND STATE OF COMPANY AFFAIRS

The Company's financial performance for the year ended 31st March 2024 is summarized below:

Particulars	(Amount in Lakhs)	
	For the Year ended 31.03.2024	For the Year ended 31.03.2023
Sales	11,930.36	9,517.39
Other Income	377.51	14.44
Total Income	12,307.87	9,531.84
Total Expenses	10,269.28	9,490.57
Profit before Tax	2,038.60	41.27
Less: Current Income Tax	623.90	68.74
Less: Deferred Tax	63.54	-73.27
Less: MAT Credit	-	-
Less: Tax relating to earlier years	-	-
Profit after Tax	1,351.15	45.80
Dividend (including Interim if any and final)	-	-
Balance in P&L Account as at year beginning	3,756.49	3,710.69
Balance in P&L Account as at year closing	5,107.65	3,756.49
Earnings per share (Basic & Diluted)	27.05	0.92



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COMPANY PERFORMANCE OVERVIEW:

During the financial year 2023-24, revenue from operations of the Company on a standalone basis stood at Rs. 11,930.36 Lakhs as against Rs. 9,517.39 Lakhs in the previous year 2022-23, a growth of 25.35 % as the company was able to recover from the covid induced disruption in its business. The total expenditure of the company was **Rs. 10,269.28 Lakhs** (as against Rs.9490.57 Lakhs in the previous year 2022-23, an increase of 8.20 %. The Profit before tax for the current year is Rs.2038.60 Lakhs as against Rs. 41.27 Lakhs in the previous year 2022-23 a growth of 4839.67 %. Profit after tax for the current year is Rs.1351.15 Lakhs as against Rs. 45.80 Lakhs in the previous year 2022-23 a growth of 2850.10%.

BUSINESS OUTLOOK

The Company is engaged in the manufacturing of components which are used in the rolling stock for the Indian Railways through railway production units like Integral Coach Factory ("ICF"), Modern Coach Factory ("MCF") and Rail Coach Factory ("RCF"). In addition to manufacturing the rolling stock components, we carry out turnkey interior furnishing projects for Indian Railways. In the aerospace and defence sectors, we manufacture intricate, highly engineered, and vital components. Along with Indian Railways through ICF, MCF, and RCF, we also serve RITES ("Rail India Technical & Economic Service"), RVNL ("Rail Vikas Nigam Limited"), and global rolling stock OEMs such as Alstom and SIEMENS.

The Company have manufactured rolling stock components and implemented turnkey interior furnishing projects for Sri Lankan DEMU and Mainline Export Coaches, Agra-Kanpur Metro Coach, RRTS Coach, Vistadome Coach and Train-18 Vande Bharat Express. Our Company's aerospace and defence products include AMCA ground simulators, precision machining tools, body manufacturing for artillery tanks, body armours and various critical components for missiles.

The Company has been in operation for over 20 years, and we have extensive expertise as a reliable supplier of high-precision forged and machined components for the rolling stock, aerospace, and defence industries, as well as undertaking turnkey interior furnishing projects in railways. We believe that we proved our capability by manufacturing and delivering 42,557 units between the Fiscal 2022 to Fiscal 2024 at an overall level. Considering the increased expenditure in infrastructure development and overall growth in the economy, the company expects substantial increase in its order book which will reflect in both revenue and profits going forward.



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A more detailed explanation on the business and the performance of the Company has been provided in the Management Discussion and Analysis Report, which is forming part of the Annual Report as **Annexure- I**.

DIVIDEND:

The Company is in the growth phase and is in the process of expanding its business activities. Considering the increased fund requirements for the expansion activities and to augment working capital requirements, your directors do not recommend any dividend for the financial year ended March 31, 2024.

TRANSFER TO RESERVES

During the year, the company had not transferred any amount to the General Reserves. No amount is proposed to be transferred to reserves during the year under review.

UNCLAIMED DIVIDEND

In the absence of any declaration of dividend in the past, the Company does not have any unpaid/unclaimed dividend coming under the purview of Section 124(5) of the Act to be transferred to Investors Education and Protection Fund ("IEPF") of the Central Government.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report, which forms part of this report.

ALTERATION OF MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION

Following the close of the financial year,



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- a. the Company's name was changed from Ms. Air Flow Equipments India Private Limited to Airfloa Rail Technology Private Limited. This change was approved by the shareholders at an Extraordinary General Meeting held on July 18, 2024. The Company has since obtained a fresh Certificate of Incorporation reflecting this name change, which was issued on 27/08/2024.
- b. the Company undertook a significant amendment to its Memorandum of Association (MoA) by altering the object clauses. This alteration was approved by the shareholders at an Extraordinary General Meeting held on July 18, 2024. Subsequently, the Company has obtained the necessary certificate from the Registrar of Companies, Chennai, confirming the change in the object clauses of the MoA. This amendment aligns with the Company's strategic objectives and future growth plans.
- c. the company has also increased Authorised capital from Rs.5,00,00,000/- to Rs.25,00,00,000/-.

The Articles of Association (AoA) of the Company has been substituted with the new set of Articles consequent to the conversion of status of the company from Private Limited to Public Limited Company. The members have approved the above changes at their Extraordinary General Meeting held on September 12, 2024.

CHANGE IN STATUS OF THE COMPANY

After the financial year, the Company underwent a significant transformation by converting from a Private Limited Company to a Public Limited Company. This conversion was approved by the shareholders at an Extraordinary General Meeting held on September 12, 2024. Subsequently, we filed the necessary application with the Registrar of Companies, Chennai, and are currently awaiting the issuance of the Fresh Certificate of Incorporation to formalize this change.

CHANGE IN THE NATURE BUSINESS

During the year under review, there was no change in the nature of the Company's business.

SHARE CAPITAL

After the end of financial year, the share capital of the Company has undergone the following changes: -



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- a) Authorized share capital was increased from Rs.5,00,00,000/- divided into 50,00,000 Equity Shares of ₹10/- each to Rs.25,00,00,000/- divided into 2,50,00,000 Equity Shares of ₹10/- each which was approved by the Shareholders at the General Meeting held on June 24, 2024.
- b) The company has allotted 5,43,318 Equity Shares of ₹10/- each to investors via Private Placement. The company has also issued 1,10,76,636 Equity Shares of ₹10/- each as bonus shares to the existing shareholders at the ration of 2 shares for every one share held. Consequent to the bonus issue of shares, the issued and paid up capital became Rs.16,61,49,540/- comprising of 1,66,14,954 equity shares of ₹10/- each.

As of 31st March 2024, the authorized share capital of the company stood at Rs.5,00,00,000 divided into 50,00,000 Equity Shares of Rs. 10 each. The issued and paid-up Share Capital of the Company stood at Rs 4,99,50,000/- divided into 49,95,500 Equity Shares of Rs.10/- each.

Apart from the above-mentioned changes, there were no changes in the Authorized, issued, subscribed, and paid-up share capital of the Company during the year. Further it is hereby confirmed that, the Company has not:

- i) issued any shares, warrants, debentures, bonds, or any other convertible or non-convertible securities.
- ii) issued equity shares with differential rights as to dividend, voting or otherwise
- iii) issued any sweat equity shares to its directors or employees
- iv) made any change in voting rights
- v) reduced its share capital or bought back shares
- vi) changed the capital structure resulting from restructuring
- vii) failed to implement any corporate action

PUBLIC DEPOSITS

The Company has not accepted any deposits from public falling within the ambit of section 73 and Section 76 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014. Hence, no disclosure is required under Rule 8(5)(v) and (vi) of the Companies (Accounts) Rules, 2014.



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COMPLIANCE OF SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively issued by the Institute of Company Secretaries of India ('ICSI') and approved by the Central Government under Section 118 (10) of the Act for the Financial Year ended 2023-24.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement it is hereby confirmed that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED UNDER SECTION 186 OF THE ACT

BOARD REPORT No.9, Chelliamman Koil Street, Keelkatalai, Chennai - 600117 FY23-24

CIN No: U29309TN1998PTC041571, GST No: 33AACCA9641E1ZY

Mobile:-9384870774, Website:-WWW.airflow.co.in



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The Company has not given any Loans, made any Investments, given any Guarantees and provided any Securities during the Financial Year coming under the purview of Section 186 of the Companies Act, 2013.

CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES UNDER SECTION 188(1) OF THE ACT

All the transactions with related parties were in the ordinary course of the business and on the arm's length basis and are reported in the Notes to Financial Statements. The related party transactions entered into by the company during the year under review have been approved by both Audit Committee and the Board. The details of materially significant related party transactions entered into by the Company are disclosed in Form AOC- 2 pursuant to Section 134(3) of the Act and enclosed as **Annexure II** to this report.

You may also refer to Related Party transactions in Note 16 of Notes to Accounts of the Financial Statements for more details.

ANNUAL RETURN

Pursuant to the provisions of Section 92(3) and Section 134(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Annual Return of the Company as on 31st March, 2024 is available on the Company's website and can be accessed at <https://www.airflow.co.in>

DIRECTORS OR KEY MANAGERIAL PERSONNEL:

A. COMPOSITION OF THE BOARD OF DIRECTORS:

As of 31st March 2024, the Board of Directors comprised of 2 Directors who are also promoters of the company.

B. NUMBER OF BOARD MEETINGS AND ATTENDANCE OF DIRECTORS

During the Financial Period 2023-24, Eight (08) board meetings were convened and held which is summarized below. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.



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SN	Date of Meeting	Board Strength	No. of Directors Present
1	07/04/2023	2	2
2	20/04/2023	2	2
3	24/07/2023	2	2
4	11/09/2023	2	2
5	15/11/2023	2	2
6	13/12/2023	2	2
7	09/01/2024	2	2
8	07/03/2024	2	2

Detailed agenda with explanatory notes and all other related information is circulated to the members of the Board in advance of each meeting. Detailed presentations are made to the Board covering all major functions and activities. The requisite strategic and material information is made available to the Board to ensure transparent decision making by the Board. The Company did not have any Non-Executive Directors. The Remuneration of the executive directors consists of salary and other benefits.

During FY 2023-24, the Company did not advance any loan to any of its Directors. Further, no loans and advances in the nature of loans to firms/companies in which directors are interested was given by the Company and its Associates/JV.

C. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

There were no changes in Board of Directors/KMPs of the Company during the year under review. Following changes taken place after the end of the financial year but before signing of this report.

The Board of Directors of the Company at their meeting held on July 24, 2024 approved the appointment of Mr. Sudhanso Mani as Additional Director (Independent), Manikandan Nanthini Additional Director (Non Executive) and Venkatesan Sathish Kumar as Additional Director (Whole Time Director) and the said appointment were regularized at the Extra-Ordinary General meeting held on July 26, 2024

Further, the Board of Directors of the Company at their meeting held on August 08, 2024 approved the appointment of Mr. Tilak Raj as Additional Director (Independent), change of designation of Mr.D Venkatesan as Managing Director, Mr.D Manikandan as Joint Managing Director and Mr.Venkatesan Sathishkumar as Whole Time Director and the said



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appointment were regularized at the Extra-Ordinary General meeting held on August 30, 2024. Ms.Malti Jaiswal is the Company Secretary and Compliance officer and Mr.Papa Sanjeevi Karunakaran is the Chief Financial Officer of the Company.

COMMITTEES OF THE BOARD

The Company in the process of forming the following five Board level committees:

- A) Audit Committee
- B) Nomination and Remuneration Committee
- C) Stakeholders Relationship Committee
- D) Risk Management Committee
- E) Corporate Social Responsibility Committee

AUDITORS AND AUDITORS' REPORT

A. STATUTORY AUDITORS AND THEIR REPORT

M/s. G Sekar & Associates, Chartered Accountants (Firm's Registration No.005251S), who was appointed as Statutory Auditors of the Company at the Annual General meeting held on 30th September, 2019 will be retiring at conclusion of the ensuing Annual General meeting.

Consequent to the change of the status of the company from Private to Public Limited company, Rule 5 of Companies (Audit and Auditor) Rules, 2014 relating to rotation of auditors and Section 139 (2) of the Companies Act, 2013 became applicable to the company from the financial year 2024-25. M/s. G Sekar & Associates Chartered Accountants has completed the maximum term permitted as the Statutory auditor of the company since their appointment and not eligible to for re-appointment upon their retirement at the conclusion of the ensuing AGM. In view of this, the Board has recommended M/s. Varadharajan & Co, Chartered Accountants (Firm's Registration No. 004515S) to the members for appointment as Statutory Auditors for a term of five (5) years in place of M/s. G Sekar & Associates, the retiring statutory auditor, to hold the office from the conclusion of the 25th Annual General Meeting until the conclusion of the 30th Annual General Meeting of the Company to be held in the year 2029.

M/s. Varadharajan & Co, Chartered Accountants have given their consent to act as Auditors if appointed and also confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.



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M/s. G Sekar & Associates, Chartered Accountants (Firm's Registration No.005251S), have submitted their Report on the Financial Statements of the Company for the FY 2023-24, which forms part of the Annual Report 2023- 24. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in the Audit Reports issued by them which call for any explanation/comment from the Board of Directors.

B. COST RECORDS AND COST AUDIT / COMPLIANCE:

During the year under review, in accordance with Section 148(1) of the Act, the Company has maintained the accounts and cost records, as specified by the Central Government. The Board of Directors had appointed M/s. Ashok & Associates, Cost Accountants, Madurai, Membership No.11929, (Firm Registration No.:102203), as Cost Auditors of the Company, for conducting the audit of cost records for the financial year ended March 31, 2024. The audit is in progress and the report will be filed with the Ministry of Corporate Affairs within the prescribed period. The remuneration of the Cost Auditors for the FY 2023-24 is being placed before the Members for ratification / approval.

C. SECRETARIAL AUDIT REPORT

In terms of the provision of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014 the Company is not required to annex Secretarial Audit Report to the Board Report.

D. INTERNAL AUDITOR:

The provisions related to appointment of Internal Auditors pursuant to section 138 of the companies Act, 2013 read with rule 13 of the Companies (Accounts) Rules, 2014, is not applicable to the Company.

INTERNAL FINANCIAL CONTROL SYSTEM

The Company has put in place an effective internal control system to synchronize its business processes, operations, financial reporting, fraud control, and compliance with extant regulatory guidelines and compliance parameters. The Company ensures that a standard and effective internal control framework operates throughout the organization, providing assurance about the safekeeping of the assets and the execution of transactions as per the authorization in compliance with the internal control policies of the Company.



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The internal control system is supplemented by extensive internal audits, regular reviews by the management, and guidelines that ensure the reliability of financial and all other records. The management periodically reviews the framework, efficacy, and operating effectiveness of the Internal Financial Controls of the Company.

The Internal Audit reports are periodically reviewed by the Audit Committee. The Company has, in material respects, adequate internal financial control over financial reporting, and such controls are operating effectively. Internal Audits are carried out to review the adequacy of the internal control systems and compliance with policies and procedures. Internal Audit areas are planned based on inherent risk assessment, risk score, and other factors such as probability, impact, significance, and strength of the control environment. Its adequacy was assessed, and the operating effectiveness was also tested.

COMPLIANCE TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, AND REDRESSAL) ACT, 2013 READ WITH THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, AND REDRESSAL) RULES, 2013.

The Company has zero tolerance for sexual harassment at workplace and has a mechanism in place for prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The Company is committed to provide equal opportunities without regard to their race, caste, sex, religion, color, nationality, disability, etc. All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological. All employees (permanent, contractual, temporary, trainees) are covered.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment at workplace. During the year under review, Company has not received any complaints on sexual harassment and hence there are no complaints pending as on the end of the Financial Year 2023-24 on sexual harassment.

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



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The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which shall impact the going concern status and Company's operations in future.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors, Cost Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under section 143(12) of the Act, including rules made there under.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As the company did not fulfil any of the conditions prescribed for mandatory CSR spending during the previous financial year i.e., 2022-23, there was no obligation to spend any amount towards CSR during the year under review. However, considering the non-fulfilment of CSR obligations pertaining to the previous financial years viz., financial year 2019-20, 2020-21, 2021-22 and 2022-23, the company has decided to transfer the amount CSR obligation unspent to a designated fund specified under Schedule VII of the Companies Act, 2013. A separate disclosure in terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, Rule 9 of the Companies (Accounts) Rules 2014 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, has been provided in **Annexure-** .

During the financial year 2023-24, the profit of the company has surpassed the threshold of Rs.5 crores prescribed for mandatory CSR expenditure requiring the company to comply with the CSR provision provide under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 during the next financial year. The Company is in the process of forming a Corporate Social Responsibility Committee ("CSR Committee") in compliance with Section 135 of the Companies Act, 2013 read with the Rules made thereunder to oversee the CSR activities and adopted a CSR policy as part of implementing CSR activities during the financial year 2024-25.

RISK MANAGEMENT

Pursuant to provisions of Section 134(3)(n) of the Companies Act, 2013 the Company has constituted the Risk Management Committee and laid down a framework to inform the Board about the particulars of Risks Identification, Assessment and Minimization



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Procedures. In the opinion of the Board, there is no such risk, which may threaten the existence of the Company.

During the year, such controls were tested and no material discrepancy or weakness in the Company's internal controls over financial reporting was observed.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are provided in ANNEXURE IV to this Report.

DECLARATION OF INDEPENDENT DIRECTORS:

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

BORROWINGS

As on March 31, 2024, an amount of Rs.6554.85 Lakhs was outstanding towards borrowings, which comprises of both secured and unsecured loans.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND FORMULATING VIGIL MECHANISM / WHISTLE BLOWER POLICY

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE

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

VIGIL MECHANISM

In terms of section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules 2014, the Company has established a Vigil Mechanism for its directors and employees to report unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. Mr.D.Manikandan (DIN:00232275), Director, have been nominated by the Board of Directors of the Company to play the role of Vigilance Officer to whom other Directors and employees may report their



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concerns. The Whistle Blower Policy requires every employee to promptly report to the Management any actual or possible violation of the Code or an event he becomes aware of that could affect the business or reputation of the Company. The disclosures reported are addressed in the manner and within the time frames prescribed in the policy. A mechanism is in place whereby any employee of the Company has access to the Vigilance officer to report any concern.

The said policy has been disseminated within the organisation and has also been posted on the Company's website at <https://www.airflow.co.in>

PARTICULARS OF EMPLOYEES:

No employees of the Company are drawing remuneration in excess of the limit specified under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

PARTICULARS OF HOLDING, SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE

As on 31st March 2024, the company did not have any holding, subsidiary, joint venture or associate company.

The Board of Directors at their meeting held on March 07, 2024 approved formation of a subsidiary under the name and style Sree Dakssnaa Aerospace and Defence India Private Limited to be engaged in the business of "Aerospace and Defense" and having its registered office at No.127, Mettupalayam Road, Opp To Samsung, Panruti, Kanchipuram, Sriperubudur, Tamil Nadu, India, 631604 on June 11, 2024. Your company holding 79.2% as on date of signing this report .

The Company will prepare consolidated financial statement in accordance with the relevant accounting standards and will prove a separate statement containing the salient features of the financial statement of its wholly owned subsidiary pursuant to provision of Section 129(3) of the Companies Act, 2013 read with rule 5 of the Companies (Accounts) Rules 2014, in form AOC-1 in the ensuing financial year.

RECEIPT OF REMUNERATION OR COMMISSION BY THE MANAGING / WHOLE TIME DIRECTOR FROM ITS HOLDING OR SUBSIDIARY COMPANY

The Company does not have any Holding or Subsidiaries Company as on 31st March 2024. Hence reporting under this clause is not required to be provided.



DEMATERIALISATION OF SHARES

During the year under review, the Company has entered into tripartite agreements for dematerialization of equity shares with Kfintech Technologies Limited, National Securities Depository Limited and Central Depository Services (India) Limited. The Company ISIN No. is INE0XBS01012.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

During the Financial Year under review, there has been no incident of one-time settlement for loan taken from the banks of financial institutions and hence not being commented upon

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

NIL

BUSINESS LOCATIONS

As on March 31, 2024, the company has its place of business in the following location;

Registered Office	9, Chelliamman Koil Street, Keelkattalai, Chennai – 600117
Manufacturing Facility	4D, Boopathy Nagar Industrial Area, Chennai, Kancheepuram, Tamil Nadu, 600117
Manufacturing Facility	No.127, Road, Panrutti Village, Sriperumbudur Taluk, Kancheepuram- 631604, Chennai, Tamilnadu
Manufacturing Facility	865/1b, Road, Ussain Nagar, Mappedu, Thiruvallur, Tamil Nadu - 631402

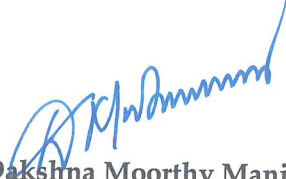


AIRFLOA RAIL TECHNOLOGY PRIVATE LIMITED

ACKNOWLEDGEMENT

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the government and regulatory authorities, stock exchange, financial institutions, banks, business associates, customers, vendors, members, for their co-operation and support and looks forward to their continued support in future. The Board of Directors wish to place on record its deep sense of appreciation for the committed services by all the employees of the Company.

For and on behalf of the Board of Directors of
Airfloa Rail Technology Private Limited


Dakshina Moorthy Manikandan
Joint Managing Director
DIN: 00232275




D Venkatesan
Managing Director
DIN: 00232210

Place : Chennai
Date: 21/09/2024



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Annexure- III TO THE BOARDS' REPORT

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2023-24

1. Brief outline on CSR Policy of the Company: The Company's focus areas are education, healthcare, skill development, and infrastructure improvement. The Company's has incorporated CSR Policy making it more comprehensive and in alignment with the broad framework of Schedule VII of the Companies Act, 2013. The Company is committed to Corporate Social Responsibility and strongly believes that the business objectives of the Company must be in congruence with the legitimate development needs of the society in which it operates.

2. Composition of CSR Committee – Not Applicable

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. Not Applicable

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). – Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sno.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2020-21	NIL	NIL
2	2021-22	NIL	NIL
3	2022-23	NIL	NIL

6. Average net profit of the company as per section 135(5): Not Applicable

7. (a) Two percent of average net profit of the company as per section 135(5): Not Applicable

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil



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(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): Nil

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year: NIL

Amount Unspent: NIL

(b) Details of CSR amount spent against ongoing projects for the financial year: Nil

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. no	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Amount spent for the project (in Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR reg number
1.	NA	NA	NA		NA	NA	NA	NA	NA
					TOTAL				

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Nil

(g) Excess amount for set off, if any



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Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	NA
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding four financial years:

Sno.	Financial Year	Unspent CSR amount (in Rs)
1	2019-20	17,27,343
2	2020-21	25,99,631
3	2021-22	27,12,722
4	2022-23	19,64,272

(b)

Details

of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Nil

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

- For the financial year 2023-24 there was no obligation for the company to spend any amount on CSR activities.



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- b. However, as the company had obligation towards CSR in certain past financial years viz., 2019-20, 2020-21, 2021-22 and 2022-23 which have not been fulfilled due to the absence of a proper implementing mechanism, the Board has decided to transfer the unspent amount pertaining to CSR obligation in the past financial years to a designated fund specified under Schedule VII of the Companies Act, 2013.

For and on behalf of the Board of Directors of
Airfloa Rail Technology Private Limited


Dakshna Moorthy Manikandan
Joint Managing Director
DIN: 00232275




Dakshinamoorthy Venkatesan
Managing Director
DIN: 00232210

Place : Chennai
Date: 21/09/2024



AIRFLOA RAIL TECHNOLOGY PRIVATE LIMITED

ANNEXURE IV TO THE BOARDS' REPORT

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo

(Pursuant to section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014)

The information pertaining to conservation of energy, technology absorption, foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are as under: -

(i)	the steps taken or impact on conservation of energy;	The company is using latest technologies and installing energy efficient solutions wherever available. The company is continuously in the monitoring energy usage to conserve energy.
(ii)	the steps taken by the company for utilising alternate sources of energy;	
(iii)	the capital investment on energy conservation equipments;	

TECHNOLOGY ABSORPTION

(i)	the efforts made towards technology absorption;	The Company uses latest technologies wherever possible. The company understands its strength lies in adaptation of new technologies and keen on implementation.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	(a) the details of technology imported;	
	(b) the year of import;	
	(c) whether the technology been fully absorbed;	
	(d) if not fully absorbed, areas where	



AIRFLOA RAIL TECHNOLOGY PRIVATE LIMITED


	absorption has not taken place, and the reasons thereof; and	
(iv)	the expenditure incurred on Research and Development.	Not applicable in view of (i)

Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Particulars	2023-24 (Rs. In Lakhs)	2022-23 (Rs. In Lakhs)
1) Earnings in foreign currency	-	7.80
2) Expenditure in foreign currency	93.70	93.69

For and on behalf of the Board of Directors of
Airfloa Rail Technology Private Limited


Dakshna Moorthy Manikandan
Joint Managing Director
DIN: 00232275




D Venkatesan
Managing Director
DIN: 00232210

Place : Chennai
Date: 21/09/2024

BOARD REPORT

No.9, Chelliamman Koil Street, Keelkatalai, Chennai - 600117
CIN No: U29309TN1998PTC041571, GST No: 33AACCA9641E1ZY
Mobile:-9384870774, Website:-WWW.airflow.co.in

As on the Financial Year ended on March 31, 2024

I. REGISTRATION & OTHER DETAILS:

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All Business Activities contributing 10% or more of the Total Turnover of the Company shall be stated)

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

A. Category-Wise Share Holding

[illegible]

e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	—	—	—	—	—	—	—	—	—
g) FIIs	—	—	—	—	—	—	—	—	—
h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i) Others (Specify)	—	—	—	—	—	—	—	—	—
Sub-Total (B) (1)	—	—	—	—	—	—	—	—	—
2. Non-Institutions									
a) Body Corp.									
(i) Indian	—	—	—	—	—	—	—	—	—
(ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals									
(i) Individual Share-holders holding Nominal Share Capital upto ` 1 Lakh	—	—	—	—	—	664335	664335	13.30%	13.30%
(ii) Individual Share-holders holding Nominal Share Capital in excess of ` 1 Lakh	—	—	—	—	—	—	—	—	—
c) Others (Specify)	—	—	—	—	—	—	—	—	—
(i) Non Resident Indians	—	—	—	—	—	—	—	—	—
(ii) Overseas Corp.Bodies	—	—	—	—	—	—	—	—	—
(iii) Foreign Nationals	—	—	—	—	—	—	—	—	—
(iv) Clearing Members	—	—	—	—	—	—	—	—	—
(v) Trusts	—	—	—	—	—	—	—	—	—
(vi) Foreign Bodies – D R	—	—	—	—	—	—	—	—	—
Sub-Total (B) (2)	—	—	—	—	—	—	—	—	—
Total Public Shareholding (B) = (B) (1) + (B) (2)									
C. Shares held by Custodian for GDRs & ADRs		NOT APPLICABLE							
Grand Total (A+B+C)	—	499500 0	499500 0	100%	—	499500 0	499500 0	100%	—

B. Shareholding of Promoters

Shareholder's Name	Shareholding at Beginning of the Year			Shareholding at the end of the Year			% Change in Share holding during the year
	No. of. Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to Total Shares	No. of. Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to Total Shares	
D Venkatesan	24,97,500	50%	—	21,65,332	43.35%	—	-6.65%
D Manikandan	24,97,500	50%	—	21,65,333	43.35%	—	-6.65%

C. Change in Promoters' Shareholding

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of. Shares	% of Total Shares of the Company	No. of. Shares	% of Total Shares of Company
1. D.Venkatesan				
At the beginning of the year	24,97,500	50%	24,97,500	50%
Add / (Less): Incr./ (Decr.) during the year	- 3,32,168	-6.65%	-	-
At the end of the Year	21,65,332	43.35%	21,65,332	50%
2. D Manikandan				
At the beginning of the year	24,97,500	50%	24,97,500	50%
Add / (Less): Incr./ (Decr.) during the year	- 3,32,167	-6.65%	-	-
At the end of the Year	21,65,333	43.35%	21,65,333	50%

D. Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holder of GDRs and ADRs)

Particulars	Shareholding		Cumulative Shareholding during the year	
	No. of. Shares	% of Total Shares of the Company	No. of. Shares	% of Total Shares of the Co.
1. Aparna Samir Thakker				
At the beginning of the year	-	-	-	-
Add / (Less): Incr./ (Decr.) during the year	6,64,335	13.30%	-	-
At the end of the Year	6,64,335	13.30%	6,64,335	13.30%

E. Shareholding of Directors and Key Managerial Personnel:

Shareholding of each Directors and each Key Managerial Personnel	Shareholding		Cumulative Shareholding during the year	
	No. of. Shares	% of Total Shares of the Company	No. of. Shares	% of Total Shares of the Company
1. D Venkatesan				
At the beginning of the year	24,97,500	50%	24,97,500	50%
Add / (Less): Incr./ (Decr.) during the year	3,32,168	-6.65%	-	-
At the end of the Year	21,65,332	43.35%	21,65,332	50%
2. D Manikandan				
At the beginning of the year	24,97,500	50%	24,97,500	50%
Add / (Less): Incr./ (Decr.) during the year	3,32,167	-6.65%	-	-
At the end of the Year	21,65,333	43.35%	21,65,333	50%

V. INDEBTEDNESS
(Rs. In Lakhs)

(Rs. In Lakhs)

Particulars (Rs. In Lakhs)		Secured Loans excluding Deposits	Unsecured Loans	Depo-sits	Total Indebtedness
Indebtedness at the beginning of the Financial Year					
(i)	Principal Amount	5,669.65	302.54	NIL	5,972.19
(ii)	Interest due but not paid	NIL	NIL	NIL	NIL

(iii)	Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)		5,669.65	302.54	NIL	5,972.19
Change in Indebtedness during the Financial Year					
(i)	Addition	7812.48	573.81	NIL	8386.29
(ii)	Reduction	(8030.51)	NIL	NIL	(8030.51)
Net Change		(218.03)	573.81	NIL	355.78
Indebtedness at the end of the Financial Year					
(i)	Principal Amount	5,451.62	876.35	NIL	NIL
(ii)	Interest due but not paid	NIL	NIL	NIL	NIL
(iii)	Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)		5,451.62	876.35	NIL	6327.97

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-Time Director and / or Manager

(Rs. In Lakhs)

Particulars of Remuneration	Name of MD/WTD/Manager	Total Amt
1. Gross Salary		
(a) Salary as per Provisions contained in Section 17(1) if the Income Tax Act, 1961	D Venkatesan D Manikandan	48.00 48.00
(b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	—	—
(c) Profits in lieu of Salary under Section 17(3) of the Income Tax Act, 1961	—	—
2. Stock Option	—	—
3. Sweat Equity	—	—
4. Commission	—	—
(a) As % of Profit	—	—
(b) Others (Specify)	—	—
5. Others, please Specify (Consultancy)	—	—
Total	—	96.00
Ceiling as per the Act	—	NA

B. Remuneration to other Directors

Particulars of Remuneration	Name of Directors			Total Amount
1. Independent Directors	—	—	—	—
Fees for attending Board Committee Meetings	—	—	—	—
Commission	—	—	—	—
Others, please Specify	—	—	—	—
Total (1)	—	—	—	—
2. Other Non-Executive Directors	—	—	—	—
Fees for attending Board Committee Meetings	—	—	—	—
Commission	—	—	—	—
Others, please Specify	—	—	—	—
Total (2)	—	—	—	—
Total = (1+2)	—	—	—	—
Total Managerial Remuneration	—	—	—	—
Overall Ceiling as per the Act	—	—	—	—

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

Particulars of Remuneration	Key Managerial Personnel			Total Amount
	CEO	CS	CFO	
1. Gross Salary				
(a) Salary as per Provisions contained in Section 17(1) if the Income Tax Act, 1961	-	-	-	-
(b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
(c) Profits in lieu of Salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-
2. Stock Option	-	-	-	-
3. Sweat Equity	-	-	-	-
4. Commission	-	-	-	-
(a) As % of Profit	-	-	-	-
(b) Others (Specify)	-	-	-	-
5. Others, please Specify	-	-	-	-
Total	-	-	-	-
Ceiling as per the Act	-	-	-	-

VII. Penalties / Punishments / Compounding of Offences

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ Court]	Appeal made, if any [Give Details]
A. COMPANY			NOT APPLICABLE		
Penalty					
Punishment					
Compounding					
B. DIRECTORS			NOT APPLICABLE		
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT			NOT APPLICABLE		
Penalty					
Punishment					
Compounding					

Place: Chennai

Date: 21/09/2024



[Signature]
D Venkatesan
Managing Director
DIN: 00232210

By Order of the Board
[Signature]
D Manikandan
Joint Managing Director
DIN: 00232275