

AUDITORS REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of **RAIPUR INDUSTRIAL GASES PRIVATE LIMITED** as at 31ST March, 2012 and the Cash Flow Statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

1. The Companies (Auditors' Report) Order, 2003 issued by the Central Government, in terms of Section 227 (4A) of the Companies Act is not applicable to the company for the year.
2. We report that:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii) 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 such books.
 - iii) The Balance sheet and Cash Flow Statement dealt with by this report is in agreement with the books of account.
 - iv) In our opinion and according to the information and explanation given to us the Balance Sheet and the Cash Flow Statement comply with the mandatory Accounting Standards referred to in sub section 3C of Section 211 of Companies Act, 1956.

- v) On the basis of written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31ST March, 2012; and
 - ii) In the case of Cash Flow Statement, of the cash flows for the period ended on that date.

**FOR, BEGANI & BEGANI
CHARTERED ACCOUNTANTS
(FRN: 010779C)**

Sd/-

**PLACE: RAIPUR (C.G.)
DATED: 26.04.2012**

**(VIVEK BEGANI)
PARTNER
M.NO.403743**

Raipur Industrial Gases Private Limited
Balance Sheet as at 31st March, 2012

(Amount in Rs.)

Particulars	Note No	31-Mar-12
I. EQUITY AND LIABILITIES		
(1) Shareholders' Funds		
(a) Share Capital	3	100,000
(b) Reserves and Surplus		-
(c) Money received against share warrants		-
(2) Share application money pending allotment		-
(3) Non-Current Liabilities		
(a) Long-term borrowings		-
(b) Deferred tax liabilities (Net)		-
(c) Other Long term liabilities		-
(d) Long-term provisions		-
(4) Current Liabilities		
(a) Short-term borrowings	4	16,719
(b) Trade payables		-
(c) Other current liabilities	5	8,427
(d) Short-term provisions		-
Total		125,146
II.Assets		
(1) Non-current assets		
(a) Fixed assets		
(i) Tangible assets		-
(ii) Intangible assets		-
(iii) Capital work-in-progress		-
(iv) Intangible assets under development		-
(b) Non-current investments		-
(c) Deferred tax assets (net)		-
(d) Long term loans and advances		-
(e) Other non-current assets	6	76,146
(2) Current assets		
(a) Current investments		-
(b) Inventories		-
(c) Trade receivables		-
(d) Cash and cash equivalents	7	49,000
(e) Short-term loans and advances		-
(f) Other current assets		-
Total		125,146
Significant Accounting Policies	2	
<p>AS PER OUR REPORT OF EVEN DATE ATTACHED</p> <p>For, Begani & Begani ON BEHALF OF THE BOARD OF DIRECTORS</p> <p>Chartered Accountants</p> <p>(FRN: 010779C)</p>		
Sd/-	Sd/-	Sd/-
(VIVEK BEGANI)	PANKAJ SARDA	RAVI THAKURDAS LADDHA
PARTNER	DIRECTOR	DIRECTOR
M. No. 403743		
PLACE : RAIPUR		PLACE: RAIPUR
DATE : 26.04.2012		DATE : 26.04.2012

Raipur Industrial Gases Private Limited

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st MARCH 2012

	PARTICULARS	Period ended 31.03.2012 (Rupees)
A.	CASH FLOW FROM OPERATING ACTIVITIES :	
	Net Profit before tax as per Profit & Loss Account	-
	<u>Adjustment for :</u>	
	Depreciation	-
	Interest (Net)	-
	Unrealised Exchange (Gain)/Loss	-
	Dividend income	-
	(Profit) / Loss on sale of fixed assets	-
	Operating Profit before Working Capital changes	-
	<u>Adjustment for :</u>	
	Inventories	-
	Trade and other receivable	-
	Loans and Advances	-
	(Increase)/Decrease in Fixed deposits with scheduled banks	-
	Current Liabilities	8,427.00
		8,427.00
	Cash generated from Operations	8,427.00
	Direct Taxes (Net)	0.00
	Net cash from Operating Activities	8,427.00
B.	CASH FLOW FROM INVESTING ACTIVITIES :	
	Investment in Fixed Assets including Capital WIP	(76,146.00)
	Preliminary Expenses	-
	Net Cash used in Investing Activities	(76,146.00)
C.	CASH FLOW FROM FINANCING ACTIVITIES :	
	Proceeds from issue of Share Capital	100,000.00
	Short term borrowings	16,719.00
	Net Cash from financing Activities	116,719.00
	Increase/(decrease) in Cash and Cash equivalents (A+B+C)	49,000.00
	Net Increase/(decrease) in Cash and Cash equivalents	49,000.00
	CASH AND CASH EQUIVALENTS AS AT 25/08/2011	0.00
	CASH AND CASH EQUIVALENTS AS AT 31/03/2012 (as per Note'7')	49,000.00
	Increase/(decrease) in Cash and Cash equivalents	49,000.00

Notes:

- (a) Cash and cash equivalent include the following :

Balances with Scheduled banks	49,000.00
	49,000.00

Note (b) This is the first accounting year of the company, previous year figures are not provided.

- (c) Figures in brackets represent outflows.

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR, BEGANI & BEGANI

Chartered Accountants
(FRN: 010779C)

Sd/-

(VIVEK BEGANI)

PARTNER

M. No.403743

PLACE: RAIPUR

DATED : 26.04.2012

ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

(PANKAJ SARDA)
Director

Sd/-

(RAVI THAKURDAS LADDHA)
Director

PLACE: RAIPUR

DATED : 26.04.2012

AUDITORS' CERTIFICATE

We have examined the attached Cash flow Statement of M/s Raipur Fabritech Private Limited for the period ended 31st March, 2012. The statement has been prepared by the Company in agreement with the corresponding Balance Sheet of the company.

FOR, BEGANI & BEGANI

Chartered Accountants
(FRN: 010779C)

Sd/-

(VIVEK BEGANI)
PARTNER
M. No.403743

PLACE: RAIPUR

DATED : 26.04.2012

Raipur Industrial Gases Private Limited
Notes to financial statements for the period ended 31 March 2012

1 Corporate Information

This is the first accounting year of the company since its incorporation on 13.12.2011. The accounting year covers a period from 13.12.2011 to 31.03.2012. As the company has not yet started its commercial operation, statement of Profit and Loss has not been prepared.

2 Significant Accounting Policies

(i) Basis of Preparation of Financial Statements

The accounts of the Company are prepared under the historical cost convention using the accrual method of accounting in accordance with the generally accepted accounting principles in India, mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

(ii) Use of Estimates

The preparation of financial statements, in conformity with Generally Accepted Accounting Principles, requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent liabilities as at the date of financial statement and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(iii) Cash Flow Statement

Cash flows are reported using the indirect method. The cash flows from operating, investing and financing activities of the company are segregated.

(iv) Preliminary Expenses

Preliminary Expenses will be amortized over a period of 5 years starting from the Financial Year in which operations of the company will begin.

Raipur Industrial Gases Private Limited
Notes to financial statements for the period ended 31 March 2012

(Amount in Rs.)

Note No		As at 31 March 2012
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3	Share Capital	
(i)	Share Capital	
	Equity Share Capital	
	Authorised Share capital (250000 Equity share @10 each)	2,500,000.00
	Issued, subscribed & fully paid share capital (10000 Equity share @10 each)	100,000.00
	Total	100,000.00

(ii)	Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period -		
	Particulars	Equity Shares Number	Amount Rs.
	Shares outstanding at the beginning of the year	-	-
	Shares Issued during the year	10000	100,000.00
	Shares bought back during the year	-	-
	Shares outstanding at the end of the year	10000	100,000.00

(iii)	Shares in respect of each class in the company held by its holding company - 5100 Equity Shares are held by Sarda Energy & Minerals Ltd. the holding company.
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(iv)	Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares		
	Name of Shareholder	As at 31 March 2012	
		No. of Shares held	% of Holding
	Shri Pankaj Sarda	4800	48
	Sarda Energy & Minerals Limited	5100	51

Raipur Industrial Gases Private Limited
Notes to financial statements for the period ended 31 March 2012

(Amount in Rs.)

Note No		As at 31 March 2012
4	Short-terms borrowings	
	Unsecured	
	Loans and advances from related parties (From Sarda Energy & Minerals Ltd.)	16,719.00
	Total	16,719.00
5	Other current liabilities	
	Others (For Audit Fee)	8,427.00
	Total	8,427.00
6	Other non-current assets	
	Others (Preliminary Expenses)	76,146.00
	Total	76,146.00
7	Cash and cash equivalents	
	Balances with banks (Union Bank of India)	49,000.00
	Total	49,000.00

8 As this is the first accounting year of the company, previous year figures are not provided.

9 Related Party Transactions

The details of related parties & nature of relationship are given below:

Name of Related Parties: -

Holding Company – Sarda Energy & Minerals Ltd.

Key Management Personnel:

Shri Pankaj Sarda - Director

Shri Ravi Thakurdas Ladhha - Director

Material transaction with related parties:

(i) Equity share of Rs.210,000(21000 Equity share @ Rs. 10 each) issued to Sarda Energy & Minerals Ltd.

(ii) Loan amount received and outstanding from Sarda Energy & Minerals Ltd. Rs. 16,719/-

Raipur Industrial Gases Private Limited
Notes to financial statements for the period ended 31 March 2012

- 10** Contingent liability - Nil
- 11** Value of imports on CIF Basis is -Nil.
- 12** Expenditure/Earning in foreign currency is - Nil.
- 13** As there is no timing difference, deferred tax asset/liability has not been provided for in the books of account.
- 14** The company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises development Act, 2006) claiming their status as on 31st march,2012 as micro, small or medium enterprises. Consequently the amount paid/payable to these parties during the year is nil.

AS PER OUR REPORT OF EVEN DATE ATTACHED
For, Begani & Begani
Chartered Accountants
(FRN: 010779C)

ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
(VIVEK BEGANI)
PARTNER
M. No. 403743
PLACE : RAIPUR
DATE : 26.04.2012

Sd/-	Sd/-
PANKAJ SARDA	RAVI THAKURDAS LADDHA
DIRECTOR	DIRECTOR
PLACE: RAIPUR	
DATE : 26.04.2012	