

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF RAIPUR INDUSTRIAL GASES PRIVATE LIMITED

Report on the IND AS Financial Statements

We have audited the accompanying IND AS financial statements of **RAIPUR INDUSTRIAL GASES PRIVATE LIMITED** ("the company") which comprise the Balance Sheet as at 31st March 2018, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these IND AS financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these IND AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the IND AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including IND AS, of the state of affairs of the Company as at 31st March 2018, its Cash Flows and changes in Equity for the year ended on that date.

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 of India 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 purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) the Balance Sheet, Cash Flow Statement & 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 IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of written representations received from the directors as on 31 March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018 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) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - 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 derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which are required to be transferred by the Company to the Investor Education and Protection Fund.

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

**DATE : 19.05.2018
PLACE : RAIPUR (C.G.)**

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

RAIPUR INDUSTRIAL GASES PRIVATE LIMITED, RAIPUR (C.G.)
Annexure A to Independent Auditor's Report (CARO 2016)

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -:

- (i) (a) The Company does not possess any Fixed Assets during the year under audit, hence the said clause is not applicable.
- (ii) **In respect of its inventories:**
 - a) The Company does not possess any Inventory during the year under audit, hence the said clause is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) The Company has not provided any loans, investments, guarantees and security under section 185 and 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits in contravention of Directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- (vi) The Company is not manufacturing or producing any product, hence the said clause is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company has no Liability to pay any statutory dues for the year under Audit.
 - (b) The company has not disputed payment of any statutory dues.
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution or banks.
- (ix) The Company has not raised any money by way of initial public offer, further public offer and term loans.

- (x) Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit, that causes the financial statements to be materially misstated.
- (xi) The Provisions of Section 197 is not applicable to the Company as the Company is a Private Limited Company.
- (xii) The company is not a Nidhi Company hence this clause is not applicable.
- (xiii) Based upon the audit procedures performed and according to the information and explanations given to us, the Company has not entered in any transaction with related parties; hence the said Clause is not applicable.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

**DATE : 19.05.2018
PLACE : RAIPUR (C.G.)**

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

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 **RAIPUR INDUSTRIAL GASES PRIVATE LIMITED** ("the Company") as of 31st March 2018 in conjunction with our audit of the IND AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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 31st March 2018, 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.

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

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

**DATE : 19.05.2018
PLACE : RAIPUR (C.G.)**

Raipur Industrial Gases Private Limited
Balance Sheet as at 31st March 2018

(Amount in Rs.)

Particulars	Note No	31-Mar-18	31-Mar-17
ASSETS			
(1) Non-current Assets			
(a) Property, Plant & Equipment			
(b) Capital work-in-progress			
(c) Investment Property			
(d) Other Intangible Assets			
(e) Intangible Assets under development			
(f) Financial Assets			
(i) Investments			
(ii) Loans			
(g) Other Non- current Assets	3	166,794	154,602
Total Non Current Assets		166,794	154,602
(2) Current Assets			
(a) Inventories			
(b) Financial Assets			
(i) Investments			
(ii) Trade receivables			
(iii) Bank, Cash & cash equivalents	4	42,057	54,024
(iv) Loans			
(c) Other Current Assets			
Total Current Assets		42,057	54,024
TOTAL ASSETS		208,850	208,625
EQUITY AND LIABILITIES:			
Equity			
(a) Equity Share capital	5	100,000	100,000
(b) Other Equity			
Liabilities			
Share application money pending allotment			
Total Equity		100,000	100,000
(1) Non-current Liabilities :			
(a) Financial Liabilities			
(i) Borrowings			
(ii) Other long term liabilities			
(b) Provisions			
(c) Deferred tax liabilities (Net)			
(d) Other non current liabilities			
Total Non Current Liabilities		-	-
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings			
(ii) Trade Payables			
(iii) Other financial liabilities			
(b) Other current liabilities	6	108,850	108,625
(c) Provisions			
Total Current Liabilities		108,850	108,625
TOTAL EQUITY AND LIABILITIES		208,850	208,625
Significant Accounting Policies		2	
AS PER OUR REPORT OF EVEN DATE ATTACHED			
For, Begani & Begani		ON BEHALF OF THE BOARD OF DIRECTORS	
Chartered Accountants			
(FRN: 010779C)			
(VIVEK BEGANI)	PANKAJ SARDA	RAVI THAKURDAS LADDHA	
PARTNER	DIRECTOR	DIRECTOR	
M. No.403743	DIN 00008190	DIN 00008358	
PLACE : RAIPUR		PLACE: RAIPUR	
DATE : 19.05.2018		DATE : 19.05.2018	

Raipur Industrial Gases Private Limited

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st March 2018

	PARTICULARS	Period ended 31.03.2018 (Rupees)	Period ended 31.03.2017 (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	-	-
		-	-
	Cash generated from Operations	-	-
	Direct Taxes (Net)	-	-
	Net cash from Operating Activities	-	-
B.	CASH FLOW FROM INVESTING ACTIVITIES :		
	Investment in Fixed Assets including Capital WIP	-	-
	Increase in Preliminary/Preoperative Expenses	12192	(20202)
	Increase in Other current liabilities	(225)	37
	Net Cash used in Investing Activities	11967	(20165)
C.	CASH FLOW FROM FINANCING ACTIVITIES :		
	Proceeds from issue of Share Capital	-	-
	Repayment of Borrowings	-	-
	Short term borrowings	-	-
	Net Cash from financing Activities	-	-
	Increase/(decrease) in Cash and Cash equivalents (A+B+C)	11967	(20165)
	Net Increase/(decrease) in Cash and Cash equivalents	11967	(20165)
	CASH AND CASH EQUIVALENTS AS AT 01/04/2017	54024	74189
	CASH AND CASH EQUIVALENTS AS AT 31/03/2018 (as per Note'4')	42057	54024
	Increase/(decrease) in Cash and Cash equivalents	(11967)	(20165)

Notes:

(a) Cash and cash equivalent include the following :

Balances with Scheduled banks

42057 54024

42057 54024

(b) Figures in brackets represent outflows.

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

ON BEHALF OF THE BOARD OF DIRECTORS

(VIVEK BEGANI)
PARTNER
M. No. 403743
PLACE: RAIPUR
DATE : 19.05.2018

(PANKAJ SARDA)
Director
DIN 00008190

PLACE: RAIPUR
DATE : 19.05.2018

(RAVI THAKURDAS LADDHA)
Director
DIN 00008358

AUDITORS' CERTIFICATE

We have examined the attached Cash flow Statement of M/s Raipur Industrial Gases Private Limited for the period ended 31st March, 2017. 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)

PLACE: RAIPUR
DATE : 19.05.2018

(VIVEK BEGANI)
PARTNER
M. No. 403743

Raipur Industrial Gases Private Limited
Notes to financial statements for the year ended 31 Mar 2018

1 Corporate Information

The Company has been incorporated during the financial year 2011-12 to produce Industrial Gases. 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 financial statement 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 under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 .

(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 written off completely in the Financial Year in which operations of the company will begin.

RAIPUR INDUSTRIAL GASES PVT. LTD.
Notes to financial statements for the year ended 31 Mar 2018

Note No		(Amount in Rs.)		(Amount in Rs.)	
		As at 31 March 2018		As at 31 March 2017	
3	Other non-current assets				
	Other (Preliminary & Preoperative Expenses)		166,794		154,602
	Total		166,794		154,602

4	Cash and cash equivalents				
	Balances with banks (Union Bank of India)		42,057		54,024
	Total		42,057		54,024

Note No		(Amount in Rs.)		(Amount in Rs.)	
		As at 31 March 2018		As at 31 March 2017	
5	Share Capital				
(i)	Share Capital				
	Equity Share Capital				
	Authorised Share capital (250000 Equity share @10 each)		2,500,000		2,500,000
	Issued, subscribed & fully paid share capital (10000 Equity share @10 each)		100,000		100,000
	Total		100,000		100,000

(ii)	Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period -				
	Particulars	Equity Shares	Amount	Equity Shares	Amount
		As at 31 Mar 2018		As at 31 March 2017	
		Number	Rs.	Number	Rs.
	Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
	Shares Issued during the year	-	-	-	-
	Shares bought back during the year	-	-	-	-
	Shares outstanding at the end of the year	10000	100,000	10000	100,000

(iii)	The Company has only one class of share- Equity Shares-having a par value of Rs. 10 each per share. All equity shares carry equal voting and distribution rights.
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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 2018		As at 31 March 2017	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
	Shri Pankaj Sarda	4800	48.00	4800	48.00
	Sarda Energy & Minerals Limited	5100	51.00	5100	51.00

Note No		As at 31 March 2018		As at 31 March 2017	
		6	Other current liabilities		
	Short-term borrowings (Loans)		100,000		100,000
	Others (For Audit Fee)		8,850		8,625
	Total		108,850		108,625

Raipur Industrial Gases Private Limited
Notes to financial statements for the year ended 31 Mar 2018

- 7 Previous year figures have been regrouped and rearranged wherever necessary.
- 8 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 Laddha - Director
Material Transaction with related parties:
- | | 31-Mar-18 | 31-Mar-17 |
|-----------------------------------|-----------|-----------|
| Loans payable (Shri Pankaj Sarda) | 100,000 | 100,000 |
- 9 Contingent liability not provided for is Nil (Previous year : Nil)
- 10 Value of imports on CIF Basis is Nil (Previous year : Nil)
- 11 Expenditure/Earning in foreign currency is Nil (Previous year : Nil)
- 12 As the company has not yet commenced its commercial operation, profit & loss accounts has not been prepared.
- 13 Pre-operative expenditure pending capitalization will be capitalized when the company starts its commercial operation
- 14 As there is no timing difference, deferred tax asset/liability has not been provided for in the books of account.
- 15 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,2018 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

For, Begani & Begani
Chartered Accountants
(FRN: 010779C)

ON BEHALF OF THE BOARD OF DIRECTORS

(VIVEK BEGANI)
PARTNER
M. No.403743
PLACE : RAIPUR
DATE : 19.05.2018

PANKAJ SARDA RAVI THAKURDAS LADDHA
DIRECTOR DIRECTOR
DIN 00008190 DIN 00008358
PLACE: RAIPUR
DATE : 19.05.2018