

**AUDITOR'S REPORT**  
**TO THE MEMBERS OF RAGHAV RAMMING MASS PVT. LTD.**

**Report on the Financial Statement:**

We have audited the accompanying financial statement of RAGHAV RAMMING MASS PVT. LTD. ("the Company"), which comprises the Balance sheet as at March 31, 2014, the statement of Profit and Loss statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management Responsibility for the Financial Statement:**

Management's is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the company in accordance with the Accounting Standards notified under the companies Act, 1956 ("the Act") read with the General circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of corporate Affairs in respect of section 133 of the companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility:**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. 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 amount and disclosure 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 control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

**Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act, in the manner so required and given 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 31<sup>st</sup> March, 2014.
- (ii) In the case of the Profit & Loss Account, of the Profit for the year ended on that date.



**Report on other Legal and Regulatory Requirement:**

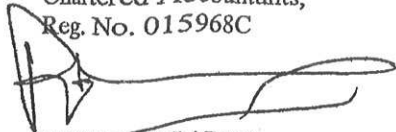
1. As required by the companies (Auditor's Report) order, 2003 ("the order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraph 4 and 5 of the order.

2. As required by section 227(3) of the Act, we report that:

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit.
- b. In our opinion, proper books of accounts, as required by Law, have been kept by the company so far as appears from our examination of books.
- c. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
- d. In our opinion, the Balance Sheet, Profit & Loss Account dealt by this Report comply with the accounting standards referred to sub-section (3C) of section 211 of the Companies Act 1956.
- e. On the basis of the written representation received from the directors as on 31<sup>st</sup> March 2014 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2014 from being appointed as a director in terms of clause (g) of sub-section (1) 274 of the Companies Act, 1956.

**For Sharma Pawan & Associates.**

Chartered Accountants,  
Reg. No. 015968C



PAWAN SHARMA  
Proprietor  
Membership No. 76755



Palace: Jaipur

Date: 2<sup>nd</sup> September 2014

## ANNEXURE TO AUDITOR'S REPORT

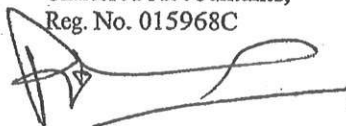
Referred to in our report to the member of RAGHAV RAMMING MASS PVT. LTD. on the accounts for the year ended 31<sup>st</sup> March 2014:

1. a. In our opinion, the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
b. All the fixed assets have been physically verified by the management according to a regular program which in our opinion is reasonable having regard to the size of the company and the nature of the assets. No material discrepancies with respect to book records were noticed on such verification.  
c. In our opinion and according to the explanations given to us no part of fixed assets has been disposed by the company, during the year.
2. a. The inventory of the Company has been physically verified by the management during the year. In our opinion the frequency of verification is reasonable.  
b. In our opinion the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.  
c. On the basis of examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. Discrepancies noticed on verification of inventory as compared to book records were not material and these have been properly dealt within the books of accounts.
3. a. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Act.  
b. As the company has not granted any loans, secured or unsecured, to companies, firm or other parties covered in the register maintained under section 301 of the Act, the provision of clause (iii)(b) to (iii)(d) of the paragraph 4 of the said order are not applicable to the company.  
c. The company has not taken any loans, secured or unsecured, from companies, firm or other parties covered in the register maintained under section 301 of the Act.  
d. As the company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Act, the provisions of clause (iii)(f) to (iii)(g) of the paragraph 4 of the said order are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, here are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods. During the course of audit, no major weakness has been noticed in the internal control.
5. a. According to the information available and explanations given to us we are of the opinion that the transactions that need to be entered into the Registers maintained under Section 301 of the Companies Act, 1956 have been so entered.  
b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into the register maintained under section 301 of the companies Act, 1956 and exceeding the value of Rupees. Five Lacs in respect of any party during the year have been made at prices which were reasonable having regard to the prevailing market prices at the relevant time.
6. No deposits have been accepted from public.
7. In our opinion the company has an adequate internal audit system commensurate with the size and nature of its business.
8. As explained to us the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (i) of section 209 of the companies Act, 1956 in respect of the products dealt with by the company for the year under review.
9. a) According to the records of the Company, the company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, Employees State Insurance, Income Tax, Sales Tax, Customs Duty, Excise Duty etc. and any of the statutory dues applicable to it. No undisputed amounts payable were outstanding as at 31<sup>st</sup> March 2014 for a period of more than 6 months from the date they became payable.



- b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of Sales Tax, Income tax, Custom Duty, Wealth Tax, Excise Duty and Cess which have not been deposited on account of any dispute.
10. According to the records of the company, the company has no accumulated losses at the end of the financial year and it has not incurred any cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanation given by the management we are of the opinion that the company has not defaulted in repayment of dues to financial institutions or bank or debenture holders.
12. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company is neither a Chit Fund nor Nidhi/Mutual Benefit Fund/Society and hence Para (xiii) of the companies (Auditors Report) order 2003 is not applicable.
14. In our opinion the company is not a dealer or trader in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. In our opinion, and according to the information and explanations given to us, on an overall basis, the Terms Loan have been applied for the purposes for which they were obtained.
17. Based on our examination of the balance sheet of the company as at 31-3-2014, we report that the funds raised on short term basis have not been used for long term investment and vice versa.
18. During the year the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the companies Act, 1956.
19. During the year the company had not issued any debentures.
20. During the year under review no money was raised by public issue.
21. Based on the audit procedure performed and information and explanation given by the management we report that during the year no fraud on or by the company has been noticed or reported during the year by the management.

For Sharma Pawan & Associates  
Chartered Accountants,  
Reg. No. 015968C



PAWAN SHARMA  
Proprietor  
Membership No. 76755



Palace: Jaipur  
Date: 2<sup>nd</sup> September 2014

RAGHAV RAMMING MASS PVT. LTD.  
BALANCE SHEET AS AT 31ST MARCH, 2014

Particular	Note No.	As at 31st March, 2014	As at 31st March, 2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share Capital	2	3385000.00	3385000.00
Reserves and surplus	3	38633310.06	32989029.00
<b>Non-Current Liabilities</b>			
Long Term Borrowing	4	90,795,707	53403859.00
Deferred Tax Liabilities		-	-
Other Long Term Liabilities		-	-
Long Term Provision		-	-
<b>Current Liabilities</b>			
Short Term Borrowings	5	52963846.97	41499433.00
Trade Payables	6	39448460.00	4082060.00
Other Current Liabilities	7	2256963.00	712456.00
Short Term Provision	8	105840.00	152682.00
<b>Total Equity &amp; Liabilities</b>		<b>227589127.03</b>	<b>136224520.00</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Tangible Assets	9	14327928.74	14785578.00
Intangible Assets		-	-
Capital work in progress		72400214.00	7997261.00
Other non current Assets	10	40000.00	48000.00
<b>Current Assets</b>			
Inventories		13441834.00	13584264.00
Trade Receivables	11	77634356.00	46483188.00
Cash and cash equivalents	12	14257145.00	5071697.00
Short term loans and advances	13	35487649.29	48254532.00
<b>Total Assets</b>		<b>227589127.03</b>	<b>136224520.00</b>

Significant Accounting Policies

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For Sharma Pawan & Associates

Chartered Accountants

Firm No.015968C

(Pawan Sharma)

Proprietor

Date :02/09/2014

Place: Jaipur



For Raghav Ramming Mass Pvt. Ltd.

(Rajesh Kabra)  
Director

(Sanjay Kabra)  
Director

# Notes forming part of the financial statements

## Background of the Company

Raghav Ramming Mass is a Private Limited Company and was incorporated on 16 December 2009 and its registered office is located at C- 48 AMBA BARI, JAIPUR, 302023. Company is mainly engaged in the business of Ramming Mass. Company has Manufacturing facility at Kaladera & Newai.

## Note: 1 Significant Accounting Policies

### a) Basis of preparation of financial statements

The financial statements have been prepared to comply with generally accepted accounting principles in India, the Accounting Standards notified in the companies (Accounting Standard) Rules 2006 and the relevant provision of the Companies Act, 2013. The financial statements have been prepared in the format prescribed by the Revised Schedule VI of the Companies Act, 2013.

### b) Use of estimates

The preparation of financial statements, in conformity with the generally accepted accounting principles, requires estimated and assumptions to be made that affect the report amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported year. Differences between the actual result and estimated are recognized in the year in which the results are known/materialize.

### c) Fixed assets

#### i. Tangible assets

Tangible fixed assets are carried at cost of acquisition or construction less accumulated depreciation and impairment loss, if any.

#### ii. Intangible assets

Intangible assets are stated at cost less accumulated amortization.

### d) Investments

Long-term (non-current) investments are carried at cost. However, when there is a decline, other than temporary, the carrying amount is reduced to recognize the decline. Current investments are carried at lower of cost and fair value.

### e) Inventories

Traded goods are valued at lower of cost and net realizable value, on weighted average basis.

