

Jindal & Co.

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To The Members of Rajputana Infrastructure Corporate Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Rajputana Infrastructure Corporate Limited. ('the Company') which comprise the Balance Sheet as at 31 March 2014, the Statement of Profit and Loss of the company for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 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 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 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 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 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 circumstances.



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 except for the effects of matter described in the Note No. 13 of Notes to Accounts above and the 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:

- (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014; and
- (ii) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date.
- (iii) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, 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 paragraphs 4 and 5 of the order.

2. As required by section 227(3) of the Act, 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 purpose 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 those books;
- (iii) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.



(iv) In our opinion, the Balance Sheet and the Statement of Profit and Loss comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

(v) On the basis of written representations received from the directors as on 31st March 2014 & taken on record by the board of directors, none of the directors is disqualified as on 31st March 2014, from being appointed as a director in term of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.

Place: New Delhi

Date: 09/05/14.



For and on behalf of
Jindal And Company

Chartered Accountants

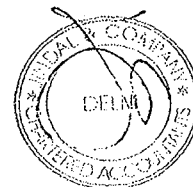
CA Akhil Jindal
Partner

Membership No. 090515
FRN No- 000844 N

Annexure to the Auditor's report

The Annexure referred in paragraph 1 under the heading of "Report on Other Legal and Regulatory requirements" of our Report to the members of Rajputana Infrastructure Corporate Limited ('the company') for the year ended 31st March 2014. We report that:

1. The Company does not have any fixed assets, hence sub clause (a), (b) & (c) of clause (i) of paragraph 4 of the Amendment Order, 2004 are not applicable to the company.
2. As explained to us, the company does not have inventory, hence sub clause (a), (b) & (c) of clause (ii) of paragraph 4 of the Amendment Order, 2004 are not applicable to the company.
3. (a) The Company has taken unsecured loans from one company covered in the register maintained under section 301 of the Companies Act, 1956 of Rs. 23,20,00,000 and the rate of interest and other terms & conditions of such loans are prima facie not prejudicial to the interest of Company.
(b) The Company has also granted advance to a party (Association of Persons) covered in the register maintained under section 301 of the Companies Act, 1956 of Rs. 23,25,00,000 and the rate of interest and other terms & conditions of such loans are prima facie not prejudicial to the interest of Company.
4. According to the information and explanation given to us, there are no purchases of Inventory and Fixed Assets & Sales of Goods and Services; hence the question of adequacy of internal control procedures commensurate with the size of the company and nature of its business does not arise.
5. According to the information and explanation given to us, there were no transactions of purchases or sales, as such the provision of Clause V of para 4 the order are not applicable.
6. According to the information and explanation given to us, the company has not accepted any deposits from the public under the provisions of Sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956.
7. As per the records of the company the paid-up Share Capital of the Company at the commencement of the financial year does not exceed Rs. 50 Lakhs and not having an average annual turnover preceding the financial year concerned the provisions of formal internal audit is not applicable to the company.
8. The Central Government has not prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 for any product of the Company.



Rajputana Infrastructure Corporate Limited

Balance Sheet as at 31st March 2014

				(Figure in Rs.)
	Note No.	As at 31-03-2014	As at 31-03-2013	
EQUITY AND LIABILITIES				
Shareholders' funds				
Share capital	2	5,00,000	5,00,000	
Reserves and surplus	3	3,35,918	3,27,464	8,27,464
Non-current liabilities				
Long-term borrowings	4	23,20,00,000		23,20,00,000
Current liabilities				
Other current liabilities	5	7,992		6,742
TOTAL		23,28,43,910		23,28,34,206
ASSETS				
Non-current assets				
Long-term loans and advances	6	23,25,00,000		23,25,00,000
Current assets				
Cash and cash equivalents	7	3,43,018	3,33,446	
Short-term loans and advances	8	263	240	
Other current assets	9	629	520	3,34,206
TOTAL		23,28,43,910		23,28,34,206

Accompanying notes 1 to 17 form part of the financial statements

As per our Report of even date
For JINDAL & CO.
Chartered Accountants

Akhil Jindal
Partner
Membership No.90515
FRN NO. : 000844N



For and on behalf of the Board of Directors

R. Ramamurthy
Director

Sanjay Kumar Gupta
Director

Place : New Delhi
Dated : 05-05-2014

Rajputana Infrastructure Corporate Limited
Statement of Profit and loss for the year ended 31st March 2014

(Figure in Rs.)

Particulars	Note No.	Year ended 31-03-2014	Year ended 31-03-2013
INCOME			
Other income	10	25,001	24,634
Total Revenue		25,001	24,634
EXPENSES			
Other expenses	11	12,766	12,164
Total Expenses		12,766	12,164
Profit before tax		12,235	12,470
Tax expense			
Current tax		3,781	2,230
Provision for income tax written back		-	1,141
Profit for the period		8,454	11,381
Earnings per equity share:			
(1) Basic		0.17	0.23
(2) Diluted		0.17	0.23

Accompanying notes 1 to 17 form part of the financial statements

As per our Report of even date

For JINDAL & CO.
Chartered Accountants

Akhil Jindal
Partner
Membership No. 90515
FRN NO. : 000844N



For and on behalf of the Board of Directors

R. Ramamurthy
Director

Sanjay Kumar Gupta
Director

Place : New Delhi
Dated : 05-05-2014

Rajputana Infrastructure corporate Limited
Cash Flow Statement for the year ended March 31, 2014

Particulars	(Figure in Rs.)	
	Year ended 31.03.2014	Year ended 31.03.2013
A. Cash flow from operating activities		
Net profit before taxation, and extraordinary items	12,235	12,470
Adjustments for:		
Dividend/Interest and other income	(25,001)	(24,634)
Operating profit before working capital changes	(12,766)	(12,164)
Movements in working capital:		
Decrease / (Increase) other current assets		17,982
Increase / (Decrease) in current liabilities	1,250	17,982
Cash generated from operations	(11,516)	5,818
Direct Tax Paid	(3,890)	(2,463)
Net cash flow from operating activities	(15,406)	3,355
B. Cash flows from investing activities		
Interest / Dividend received	24,978	25,220
Net cash flow from investing activities	24,978	25,220
C. Cash Flows from financing activities		
Net cash flow from financing activities		
Net increase / (decrease) in cash and cash equivalents (A + B + C)	9,572	28,575
Cash and cash equivalents at the beginning of the year	3,33,446	3,04,871
Cash and cash equivalents at the end of the year	3,43,018	3,33,446
Components of cash and cash equivalents:		
Cash and cheques on hand	3,542	18,042
With banks - in current account	3,39,476	3,15,404
	3,43,018	3,33,446

As per our Report of even date attached
For JINDAL & CO.
Chartered Accountants

Akhil Jindal
Partner
Membership No.90515
FRN NO. : 000844N

Place : New Delhi
Dated : 05-05-2014



For and on behalf of the Board of Directors

R. Ramamurthy
Director

Sanjay Kumar Gupta
Director

Rajputana Infrastructure Corporate Limited

Notes forming part of the financial statements for the year ended March 31, 2014

1. Significant Accounting Policies

- (i) The financial statements are prepared under the historical cost convention in accordance with applicable accounting standards and relevant presentational requirements of the Companies Act, 1956.
 - (ii) All Income and Expenses are accounted on mercantile basis.
 - (iii) Provision for Income-tax is based on assessable profits computed in accordance with provisions of the Income-tax Act, 1961.
 - (iv) Deffered tax is recognized, subject to the consideration of prudence, on timing difference, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
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Notes forming part of the financial statements for the year ended March 31, 2014

2. Share capital

(Figure in Rs.)

Particulars	As at 31 March 2014		As at 31 March 2013	
	Number	Amount	Number	Amount
Authorised Capital				
Equity Shares of Rs. 10/- each	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Issued, Subscribed & Paid up Capital				
Equity Shares of Rs.10/- each	50,000	5,00,000	50,000	5,00,000
Total	50,000	5,00,000	50,000	5,00,000

(i) Reconciliation of equity shares outstanding at the beginning and at the end of reporting period:

Particulars	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the year	50,000	5,00,000
Subscription money received	-	-
Shares outstanding at the end of the year	50,000	5,00,000

(ii) Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956 (Holding more than 5% of share capital)

Name of Shareholder	As at 31 March 2014		As at 31 March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Kashyap Metal and Allied Industries Ltd.	50000	100.00	50000	100.00

3. Reserves and surplus

(Figure in Rs.)

Particulars	As at 31 March 2014	As at 31 March 2013
Profit and Loss Account		
Opening balance	3,27,464	3,16,083
(+) Net Profit for the year	8,454	11,381
Total	3,35,918	3,27,464

4. Long-term borrowings

(Figure in Rs.)

Particulars	As at 31 March 2014	As at 31 March 2012
Advance received from Holding Company	23,20,00,000	23,20,00,000
Total	23,20,00,000	23,20,00,000

4.1 Notes on advance received

- (i) The interest free advance taken for a period of five years from the date of disbursement.
- (ii) The loan is repayable on demand
- (iii) There is no default in repayment of advance and same has not been recalled / demanded as at the Balance sheet date.

5. Other current liabilities

(Figure in Rs.)

Particulars	As at 31 March 2014	As at 31 March 2013
Other payables:		
Audit Fees Payable	6,742	6,742
Expenses payable	1,250	-
Total	7,992	6,742

6. Long-term loans and advances

(Figure in Rs.)

Particulars	As at 31 March 2014	As at 31 March 2013
Other loans and advances (Unsecured and considered good) Rajputana Developers Projects (AOP)	23,25,00,000	23,25,00,000
	23,25,00,000	23,25,00,000

7. Cash and cash equivalents

(Figure in Rs.)

Particulars	As at 31 March 2014	As at 31 March 2013
Balances with banks	49,476	46,404
Fixed deposit with bank*	2,90,000	2,69,000
Cash on hand	3,542	18,042
	3,43,018	3,33,446

*Fixed deposit having a maturity of less than 12 months from the balance sheet date.

8. Short term loans and advances

(Figure in Rs.)

Particulars	As at 31 March 2014	As at 31 March 2013
Unsecured and considered good Interest Receivable on Fixed Deposits	263	240
	263	240

9. Other current assets

(Figure in Rs.)

Particulars	As at 31 March 2014	As at 31 March 2013
Tax recoverable (net of provision for tax)	629	520
	629	520

10. Other income

(Figure in Rs.)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Interest on Fixed Deposit	25,001	24,634
Total	25,001	24,634

11. Other expenses

(Figure in Rs.)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Audit Fees	6,742	6,742
Bank charges	774	662
Filing fees	1,500	1,510
Professional Fees	3,750	3,250
Total	12,766	12,164

12. In the opinion of the Board, the Current Assets and Loan & Advances are approximately of the value stated, if realized, in the ordinary course of business. There are no contingent liabilities outstanding at the end of the year.
13. During the financial year 2007-08, the Holding Company, Kashyap Metal & Allied Industries Limited, at the request of the Company, granted an interest free loan of Rs.2320 lacs to the Company. This loan was taken from the Holding Company in order to meet funding requirement in respect of a proposed real estate venture to be undertaken and pursued jointly with Rajputana Fertilizers Limited (RFL) in whom valuable landed properties with significant potential for development and marketing profitably were vested in pursuance of certain orders passed by BIFR as well as Delhi High Court in respect of Modi Spinning & Weaving Mills Company Limited. Subsequently the Company formed an Association of Persons (AOP) with RFL in the name and style of 'Rajputana Developers Projects', so as to implement the said real estate venture. The Company has contributed Rs. 2325 lacs towards funding requirement of the said AOP and the same is recoverable as on the date of Balance Sheet. The AOP has nominal accumulated loss as on the date of Balance Sheet which is pending for distribution/allocation as per the records of said AOP. As per arrangement, AOP's profit/loss shall be shared in equal ratio between the Company and RFL.
14. Being a Single unit Company, segment reporting in accordance with Accounting Standard (AS-17) as issued by the Institute of Chartered Accountants of India, is not applicable.
15. Deferred tax assets pursuant to Accounting Standard (AS-22) on 'Accounting for Taxes on Income', has not been recognized in relation to carried forward losses from previous years in view of uncertainty of sufficient future taxable income.

16. Related party disclosure under Accounting Standard 18:

(A). Names of related parties and nature of related party relationships:

Ultimate Holding companies

- Chase Investments Limited

Immediate Holding Company

- Kashyap Metal and Allied Industries Limited

Holding Company of ultimate Holding Company

- Godfrey Phillips India Limited

Associate of the Ultimate Holding Company's Holding Company

- Success Principles India Limited
- KKM Management Centre Private Limited
- IPM India Wholesale Trading Private Limited

Subsidiaries of the Ultimate Holding Company's Holding Company

- Chase Investments Limited
 - International Tobacco Company Limited
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(B) Key Management Personnel:

- Mr. Sanjay Kumar Gupta, Director
- Mr. R. Ramamurthy, Director
- Mr. S. Krishna, Director


(C) Enterprises over which key management personnel and their relatives are able to exercise significant influence: **None**

(D) Disclosure of transactions between the company and related parties and the status of outstanding balances as at the year ended:

Nature of transaction	2013-14	2012-13
	Rs.	Rs.
With associates	None	None
<u>Outstanding Balances</u>		
1. With immediate Holding Company Kashyap Metal & Allied Industries Limited: -Advance received – outstanding balance -Share Capital	232000000 500000	232000000 500000
2. With Association of Person (AOP) Rajputana Developers Projects (Refer Note No. 13 above): -Advance given – outstanding balance	232500000	232500000
With Key Management personal	None	None
With enterprises over which significant influences exists	None	None

17. The previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors


R. Ramamurthy
Director


Sanjay Kumar Gupta
Director

Place : New Delhi
Dated : 05-05-2014

