



KARTHIKEYAN & JAYARAM
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF RPP INFRA PROJECTS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of RPP INFRA PROJECTS LIMITED which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, 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 in section 134(5) of the Companies Act, 2013 with respect to the preparation of these 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

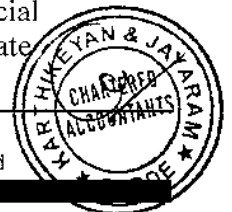
Our responsibility is to express an opinion on these financial statements based on our audit.

We 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

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in the circumstances. 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the 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, 2015 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 statement on the matters specified in the para 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 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, the statement of profit and loss and the cash flow statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 *subject to non adherence with Accounting Standard 15 dealing with employee benefits in as much as the gratuity liability provided not being on the basis of actuarial valuation;*





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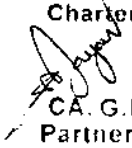
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- e. On the basis of the written representations received from the directors as on 31st March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015 from being appointed as a director in terms of Section 164(2) of the Act, and
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - The Company did not have any long-term contracts including derivative contracts for which there are material foreseeable losses
 - There were no amounts due to be transferred to the Investor Education and Protection Fund by the company during the year

Place : Erode

Date : 29.05.2015

For Karthikeyan & Jayaram,
Chartered Accountants.


CA. G.N. Jayaram, F.C.A.
Partner (M.No: 200-27291)



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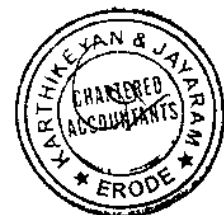
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Draft Annexure to the Auditors' Report dated 29.05.2015

The Annexure referred to in our report to the members of RPP Infra Projects Limited for the year Ended on 31st March 2015. We report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets.
- (b) All the assets have been physically verified by the management during the year and that there is a regular programme of verification which in our opinion is reasonable having regard to the size of the company and the nature of its assets. As reported no material discrepancies have been noticed on such verification.
- (ii) (a) The inventory has been physically verified during the year by the Management. In our opinion, the frequency of the verification is reasonable.
- (b) The procedures of physical verification of stock followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) Clauses (a) & (b) are not applicable as the Company has not granted any loans to entities covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the work done. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) The company has not accepted any deposits from the public.
- (vi) The company has, prima facie, maintained cost records specified by the central government under sub-section (1) of section 148 of the Companies Act.





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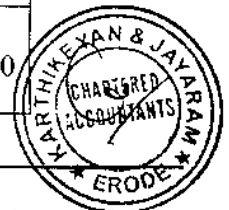
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- (vii) (a) According to the information and explanation given to us and on the basis of our examination of the records by the company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities. As explained to us, the company did not have any dues on accounts of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sale tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31st March 2015 for the period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, sales tax, service tax and value added tax have not been deposited by the company on account of disputes.

Sl No	Tax Law	Forum where the Dispute is pending	Financial Year	Amount
1	Income Tax	Assistant Commissioner of Income Tax, Circle - I, Erode	2005-06	24,29,318
2	Income Tax	Assistant Commissioner of Income Tax, Circle - I, Erode	2006-07	7,05,443
3	Income Tax	Assistant Commissioner of Income Tax, Circle - I, Erode	2007-08	8,268
4	Income Tax	Assistant Commissioner of Income Tax, Circle - I, Erode	2008-09	1,01,22,896
5	Income Tax	Income Tax Appellate Tribunal, Chennai	2009-10	3,04,25,600
6	Income Tax	Commissioner of Income Tax, Coimbatore	2010-11	2,50,10,460
7	Income Tax	Commissioner of Income Tax, Coimbatore	2011-12	4,16,27,450



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8	Income Tax	Assistant Commissioner of Income Tax, Circle - I, Erode	2012-13	1,15,62,950
9	Service Tax	Commissioner of Central Excise, Salem	2008-09	2,52,28,175

Contingent Liabilities

10		Bank Guarantees		44,17,24,730
11		Inland Letter of Credits		4,87,62,607


(c) According to the information and explanations given to us there are no amounts required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the companies act and rules there under.

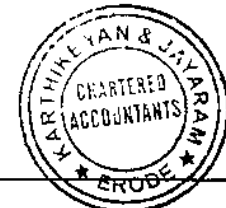
- (viii) The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to a financial institution or bank/debentures.
- (x) According to the information given to us, the company has not given any guarantees or loans taken for loans taken from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company.
- (xi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xii) According to the information and explanations given to us no fraud on or by the company has been noticed or reported during the course of our audit.

Place : Erode

Date : 29.05.2015

For Karthikeyan & Jayaram,
Chartered Accountants.


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