



## **INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF  
**EGMAH ENGINEERING PVT. LTD.**

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Egma Engineering Pvt. Ltd., RANCHI ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and loss for the year then ended, and a summary of the significant accounting policies and other explanatory information.

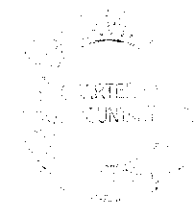
### **Management's Responsibility for the Standalone Financial Statements**

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 of these standalone 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting 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 controls, 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 standalone 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 thereunder. 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 the 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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 standalone financial statements.





**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2015, and its excess of expenditure over income and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

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, 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.
- (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.
- (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:
  - i. The Company does not has pending litigations which would impact on its financial position ;
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. or there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR J. N. AGRAWAL & CO.  
(CHARTERED ACCOUNTNATS)  
(Firm's Regn. No - 000818C)

Place of Signature: Ranchi  
Date: 18<sup>th</sup> day of August, 2015.

(CA. J.N. Agrawal)  
(Mem. No. 08887)

**EGMAH ENGINEERING PRIVATE LIMITED**  
**BALANCE SHEET AS ON MARCH 2015.**

PARTICULARS		NOTE	AMOUNT (₹) 31.03.15	AMOUNT (₹) 31.03.14
<b>I EQUITY AND LIABILITIES</b>				
<b>1 SHAREHOLDERS FUND</b>				
(a) Share capital		2	102,000	102,000
(b) Reserve & Surplus		3	2,006,797	1,843,812
			<b>2,108,797</b>	<b>1,945,812</b>
<b>2 SHARE APPLICATION MONEY PENDING ALLOTMENT</b>				
<b>3 NON-CURRENT LIABILITIES</b>				
(a) Long Term Borrowings		4	170,000	270,000
(b) Other Long Term Liabilities			-	-
(c) Deferred Tax Liability (net )			-	-
			<b>170,000</b>	<b>270,000</b>
<b>4 CURRENT LIABILITIES</b>				
(a) Trade Payables		5	1,401,433	2,652,900
(b) Other Current Liabilities		6	96,501	30,869
(c) Short-Term Provisions			1,497,934	2,683,769
			<b>3,776,731</b>	<b>4,899,581</b>
<b>TOTAL</b>				
<b>II ASSETS</b>				
<b>1 NON-CURRENT ASSETS</b>				
(a) Fixed Assets :		7	3,647	3,647
(i) Tangible Assets			-	-
(ii) Intangible Assets			-	-
(b) Non Current Investment		8	-	400,000
(c) Long-term loans & advances		9	57,815	483,259
			<b>61,462</b>	<b>886,906</b>
<b>2 CURRENT ASSETS</b>				
(a) Inventories		10	2,102,338	2,875,214
(b) Trade Receivables		11	346,696	324,219
(c) Cash and cash equivalents		12	1,137,277	577,815
(d) Short-term loans & advances		13	128,959	235,428
(e) Other current assets			-	-
			<b>3,715,269</b>	<b>4,012,675</b>
			<b>3,776,731</b>	<b>4,899,581</b>
<b>TOTAL</b>				
Significant Accounting Policies & Notes on Accounts		1 - 18		

Director

Director

RANCHI

Dated, the 18<sup>th</sup> day of August, 2015.

*Renu Singh*




In terms of our separate report of even date annexed.  
FOR J. N. AGRAWAL & CO.  
(CHARTERED ACCOUNTANTS)

*(Signature)*  
(CA. J. N. AGRAWAL)  
Partner

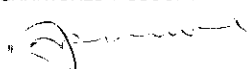
**EGMAH ENGINEERING PRIVATE LIMITED**  
**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2015.**

Particulars	NOTE	Current Year 31.03.2015 (₹)	Previous Year 31.03.2014 (₹)
I REVENUE FROM OPERATION	14	11,043,600	500,000
II OTHER INCOME	15	0	0
III TOTAL REVENUE ( I + II )		11,043,600	500,000
IV EXPENSES			
Change In Inventories of Finished goods & Work in Progress	16	772,876	(2,636,564)
Employee Benefits Expenses	17	231,090	202,980
Finance Cost		-	-
Depreciation and Amortization Expenses		-	-
Other Expenses	18	9,803,769	2,916,373
TOTAL EXPENSES		10,807,735	482,789
V PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS & TAX : [ (III) - (IV) ]		235,865	17,211
VI EXCEPTIONAL ITEM		-	-
VII PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX : [(V) - (VI) ]		235,865	17,211
VIII EXTRAORDINARY ITEMS		-	-
IX PROFIT BEFORE TAX [(VII) - (VIII) ]		235,865	17,211
X TAX EXPENSES :			
(1) Current Tax		72,880	5,320
(2) Defered Tax		-	-
		72,880	5,320
XI PROFIT ( LOSS ) FOR THE PERIOD [ (IX) - (X) ]		162,985	11,891
Significant Accounting Policies & Notes on Accounts	1 - 18		

Director   
 Director *Renu Singh*

RANCHI  
 Dated, the 18th day of August, 2015.

In terms of our separate report of even date annexed.  
 FOR J. N. AGRAWAL & CO.  
 (CHARTERED ACCOUNTANTS)

  
 (CA. J. N. AGRAWAL)  
 Partner

**EGMAH ENGINEERING PVT. LTD**

**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED ON 31.03.15**

**A. SIGNIFICANT ACCOUNTING POLICIES**

**1. ACCOUNTING CONCEPTS**

The company follows mercantile system of accounting and recognizes income & expenditure on accrual basis.

**2. FIXED ASSETS**

Fixed Assets are stated at their original cost of acquisition.

**3. REVENUE RECOGNITION:**

The company is engaged in Real Estate Development. As such it has followed the Guidance Note on accounting of Real Estate Transactions and the Accounting Standard-7, issued by the ICAI, to recognise its revenue. As the total project cost incurred till the reporting date has been calculated at 40% of the estimated Project cost, the revenue is accordingly recognised in line with the said Guidance Note and AS-7.

**4. DEPRECIATION**

Depreciation has been not been charged in the books of accounts as written down value is nominal.

**5. INVENTORIES**

Stock is valued at cost at FIFO basis.

6. The company has not made provision for retirement benefits for its employees as it is the policy to account for them at the time of actual liability.

**7. ACCOUNTING FOR TAXES**


Income tax expenses include current tax and deferred tax recognized on the basis of tax rates applicable to the assessment year relevant to the previous year ended on the date of the balance sheet. In case of unabsorbed depreciation or carry forward losses, the deferred tax assets are recognized only if there is virtual certainty of its realization, in other cases this is recognized only if there is a reasonable certainty of its realization.

**B. NOTES ON ACCOUNTS**

1. As the depreciation in books is not charged and claimed in Income Tax, there is no impact for deferred Tax for the year.

2. The Company has commenced the work of builders & Developers and the WIP at the year end represents the work done in building construction as reduced by revenue recognized.

  
Rakesh Kumar, Director

  
Smt Renu Singh, Director



**EGMAH ENGINEERING PRIVATE LIMITED**

Notes to the Financial Statement

**Note 2: SHARE CAPITAL**

Particulars	Current Year 31.03.2015 (₹)	Previous Year 31.03.2014 (₹)
<b>AUTHORISED</b> 10000 Equity Shares of ₹ 100 each	1,000,000	1,000,000
<b>ISSUED</b> 1020 Equity Shares of ₹100 each	102,000	102,000
<b>SUBSCRIBED and PAID UP</b> 1020 Equity Shares of ₹100 each	102,000	102,000
<b>TOTAL</b>	102,000	102,000

**(i) Reconciliation of the no. of shares at the beginning and at the outstanding end of the reporting period**

Particulars	Current Year 31.03.2015 (₹)	Previous Year 31.03.2014 (₹)
Share outstanding at the beginning of the period / year	102,000	102,000
Shares issued during the period / year	-	-
Shares bought back during the period / year	-	-
Share outstanding at the end of the period / year	102,000	102,000

**(ii) Shareholding more than 5% shares**

Name of Shareholders	Current Year 31.03.2015	Share (in %)	Current Year 31.03.2014	Share (in %)
Ahiliya Choudhary	17,500	17.16%	17,500	17.16%
Parmanand Choudhary	31,000	30.39%	31,000	30.39%
Rakesh Kumar	17,500	17.16%	17,500	17.16%
Ramakant Choudhary	35,000	34.31%	35,000	34.31%

**Note 3: RESERVE & SURPLUS**

Particulars	Current Year 31.03.2015 (₹)	Previous Year 31.03.2014 (₹)
(a) Share Premium	-	-
(b) General Reserve	-	-
(c) Debenture Redemption Reserve	-	-
(d) Capital Reserve	-	-
(e) Other Reserves	-	-
(f) Capital Reserve on Consolidation	-	-
Profit / (Loss) Surplus		
Opening balance	1,843,812	1,831,921
(+) Profit / (Loss) for the current year	162,985	11,891
	2,006,797	1,843,812
<b>TOTAL</b>	2,006,797	1,843,812

*(Signature)*

Renu Singh



**EGMAH ENGINEERING PRIVATE LIMITED**

**Note 4: LONG TERM BORROWINGS**

Particulars	Current Year 31.03.2015	Previous Year 31.03.2014
	(₹)	(₹)
<b>Term Loans</b>		
Unsecured:	170,000	270,000
From Shareholder	-	-
From Others		
<b>TOTAL</b>	170,000	270,000

**Note 5: OTHER CURRENT LIABILITIES**

Particulars	Current Year 31.03.2015	Previous Year 31.03.2014
	(₹)	(₹)
Advances From Customers	1,401,433	2,652,900
<b>TOTAL</b>	1,401,433	2,652,900.00

**Note 6: SHORT TERM PROVISIONS**

Particulars	Current Year 31.03.2015	Previous Year 31.03.2014
	(₹)	(₹)
Audit Fee Payable	18,500	24,596
Service Tax Payable	2,963	-
EPF Payable	2,158	953
Provision for Income Tax	72,880	5,320
<b>TOTAL</b>	96,501	30,869

**Note 8: LONG TERM LOANS AND ADVANCES**

Particulars	Current Year 31.03.2015	Previous Year 31.03.2014
	(₹)	(₹)
Earnest Money Deposit	3,300	3,300
Retention & Security Money	54,515	186,959
Loans & Advances (Assets)	0	293,000
<b>TOTAL</b>	57,815	483,259

**Note 9: CURRENT INVESTMENT**

Particulars	Current Year 31.03.2015	Previous Year 31.03.2014
	(₹)	(₹)
Investment in Partnership Firm Egmah Developers (A partnership firm formed during the year for land development)	0	400,000
<b>TOTAL</b>	0	400,000.00

**Note 10: Inventories**

Particulars	Current Year 31.03.2015	Previous Year 31.03.2014
	(₹)	(₹)
Work in Progress	2,102,338	2,875,214
<b>TOTAL</b>	2,102,338	2,875,214

**Note 11: TRADE RECEIVABLE**

Particulars	Current Year 31.03.2015	Previous Year 31.03.2014
	(₹)	(₹)
a. Debts outstanding for a period exceeding 6 months	346,696	324,219
b. Other Debts	346,696	324,219
<b>TOTAL</b>		

*Renu Singh*



**EGMAH ENGINEERING PVT. LTD.**  
**NOTE 7 : FIXED ASSETS**

PARTICULARS	RATE	GROSS BLOCK		DEPRICIATION			NET BLOCK		
		As on 31.03.2014	Addition	As on 31.03.2015	Up to 31.03.2014	For the Year	Total Up to 31.03.2015	As on 31.03.2015	As on 31.03.2014
<b>Tangible Assets:</b>									
Generator	15%	24,280.00	-	24,280.00	22,119.98	0.00	22,119.98	2,160.02	2,160.02
Heater	15%	584.00	-	584.00	546.45	0.00	546.45	37.55	37.55
Welding Machine	15%	3,600.00	-	3,600.00	3,279.64	0.00	3,279.64	320.36	320.36
Furniture	10%	3,600.00	-	3,600.00	2,470.66	0.00	2,470.66	1,129.34	1,129.34
<b>Total</b>		<b>32,064.00</b>		<b>32,064.00</b>	<b>28,416.73</b>	<b>0.00</b>	<b>28,416.73</b>	<b>3,647.27</b>	<b>3,647.27</b>

As the book value of Assets is very nominal ,the management has decided not to charge further Depreciation during the Year.

  
Rakesh Kumar  
Director

*Renu Singh*  
Smt Renu Singh  
Director





**EGMAH ENGINEERING PRIVATE LIMITED**

**Note 12: CASH AND CASH EQUIVALENTS**

Particulars	Current Year 31.03.2015 (₹)	Previous Year 31.03.2014 (₹)
<b>BALANCE WITH BANK :</b>		
a.Axis Bank	245,581	152,146
b.SBI Patratu	576,441	11,568
	822,022	163,714
<b>CASH IN HAND (As per books &amp; certified)</b>		
Cash in hand	315,255	414,101
	315,255	414,101
<b>TOTAL</b>	<b>1,137,277</b>	<b>577,815</b>

**Note 13: SHORT TERMS LOANS & ADVANCES**

Particulars	Current Year 31.03.2015 (₹)	Previous Year 31.03.2014 (₹)
Tax Refundable(2006-07)	4,100	4,100
Tax Refundable (2009-10)	98,918	98,918
TDS (2003-04)	1,399	1,399
TDS(2004-05)	1,674	1,674
TDS(2008-09)	1,000	1,000
TDS(2010-11)	14,620	14,620
TDS Receivable	7,248	8,497
Service Tax Credit	0	1,437
Rakesh Kumar	0	103,783
<b>TOTAL</b>	<b>128,959</b>	<b>235,428</b>

**Note 14: REVENUE FROM OPERATION**

Particulars	Current Year 31.03.2015 (₹)	Previous Year 31.03.2014 (₹)
<b>MISCELLANEOUS RECEIPTS</b>		
a. Gross Receipts	11,043,600	500,000
<b>TOTAL</b>	<b>11,043,600</b>	<b>500,000</b>

**Note 15: OTHER INCOME**

Particulars	Current Year 31.03.2015 (₹)	Previous Year 31.03.2014 (₹)
a.Interest on FD	-	0
<b>TOTAL</b>	<b>-</b>	<b>0</b>

**NOTE:16 CHANGES IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS**

PARTICULARS	Current Year 31.03.2015 (₹)	Previous Year 31.03.2014 (₹)
<b>OPENING STOCK:</b>		
WORK IN PROGRESS	2,875,214	238,650
	2,875,214	238,650
<b>LESS: CLOSING STOCK:</b>		
WORK IN PROGRESS	2,102,338	2,875,214
	2,102,338	2,875,214
<b>Total</b>	<b>772,876</b>	<b>(2,636,564)</b>

 Renu Singh



**EGMAH ENGINEERING PRIVATE LIMITED**

**Note 17: EMPLOYEE BENEFITS EXPENSES**

Particulars	Current Year 31.03.2015 (₹)	Previous Year 31.03.2014 (₹)
Salary And Wages	70,095	72,000
Contribution to Provident Fund	10,995	10,980
Directors Remuneration	150,000	120,000
<b>TOTAL</b>	<b>231,090</b>	<b>202,980</b>

**Note 18: OTHER EXPENSES**

Particulars	Current Year 31.03.2015 (₹)	Previous Year 31.03.2014 (₹)
Consumable Goods	-	0
Audit Fees	18,500	12,360
Bank Charges	5,164	3,279
Office Expenses	21,211	2,856
Site Expenses	9,738,814	2,837,850
Stationary	1,560	5,680
Telephone Expenses	7,890	12,806
Travelling Expenses	10,630	18,960
Interest on Service Tax	-	0
Sundry Debtor W/Off	0	22,582.00
<b>TOTAL EXPENSES</b>	<b>9,803,769</b>	<b>2,916,373</b>

*Renu*

Renu singh

