

**INDEPENDENT AUDITOR'S REPORT**

To

The Members,  
Isgec Engineering & Projects Limited.  
Yamunanagar  
Haryana.

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Isgec Engineering & Projects Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow statement for the period then ended, notes to financial statement comprising a summary of significant accounting policies and other explanatory information.

**Management is responsible for the preparation of these 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 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 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 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 misstatements.

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 a 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

Contd. on 2



reporting and the 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 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 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, of the state of affairs of the Company as at March 31, 2016, and its profit and its 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, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
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, the Profit and Loss Statement, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
  - e) On the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, 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 2" to this report;
  - g) 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 have any pending litigation which would impact its financial position;
    - ii. The Company did not have any long term contracts including derivative contracts for which there were any foreseeable losses;



iii. There were no amounts which were to be transferred to the Investor Education and Protection Fund by the Company.

**PLACE : Noida**  
**DATE : 26.05.2016**

**FOR P.G. CHAWLA & CO.**  
**Firm Reg.No.014407N**  
**Chartered Accountants**



**P.G. CHAWLA**  
**(Partner)**  
**M.No.93392**

**Annexure to the Independent Auditor's Report of even date to the members on the financial statements for the Period ended March 31,2016**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Re: **Isgec Engineering & Projects Limited** ('the Company')

- i. In respect of the fixed assets of the Company:
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets and capital work in progress.
  - b. The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c. According to the information and explanations given to us, the allotment letter and possession letter of Villa No. 17B in "The Woodside" residential villa development project in Tehsil Kasauli, Distt. Solan, Himachal Pradesh is in the name of company. However the title deeds of this immovable property is not yet registered in the name of company.
- ii. The Company's business does not involve inventories and accordingly the requirements paragraph 4(ii) of the Order are not applicable to the Company and hence not been commented upon.
- iii. According to the information and explanations given to us, 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. Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- v. According to the information and explanations given to us, the Company has not accepted deposits during the year and hence not commented upon.
- vi. According to the information and explanations given to us, the Company has not commenced commercial operations as of March 31, 2016, the provisions of clause 3(vi) of the Order are not applicable to the Company and hence not been commented upon.
- vii. According to the information and explanations given to us, in respect of statutory dues:
  - a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax and Value Added Tax, Wealth Tax, Service Tax, duty of Customs, duty of Excise, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - b. There were no undisputed amounts payable in respect of Provident Fund, Employee's State Insurance,

Contd. on 2



Income Tax, Sales Tax and Value Added Tax, Wealth Tax, Service Tax, duty of Customs, duty of Excise, Cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.

- c. According to the information and explanations given to us, there are no dues of income tax, which have not been deposited on account of any dispute. The provisions relating to sales-tax service tax, customs duty, excise duty, value added tax and cess are not applicable to the Company.
- viii. The Company did not have any outstanding dues from banks, financial institutions, debenture holders or government.
- ix. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer) and term loans hence, reporting under clause (ix) of the order is not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the period.
- xi. The provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable to the Company. Therefore, the requirements under paragraph 3(xi) of the Order are not applicable to the Company and hence not commented upon.
- xii. In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable and hence not commented upon.
- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence provisions of clause 3(xiv) are not applicable and not commented upon.
- xv. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

PLACE : Noida  
DATE : 26.05.2016

For P.G. Chawla & Co.  
Firm Reg.No.014407N  
Chartered Accountants

  
P.G. Chawla  
(Partner)  
M.No.93392



**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

To the Members of

We have audited the internal financial controls over financial reporting of Isgec Engineering & Projects Limited. ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended March 31, 2016.

**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. 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 the 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.

**Auditor's 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 as specified 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 judgement, 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 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

Contd on 2.



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 March 31, 2016, 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.

### **Explanatory paragraph**

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the financial statements of Isgéc Engineering & Projects Limited., which comprise the Balance Sheet as at March 31, 2016, and the related Statement of Profit and Loss and Cash Flow Statement for the period ended March 31, 2016 and a summary of significant accounting policies and other explanatory information, and our report dated 26<sup>th</sup> May, 2016 expressed an unqualified opinion thereon.

**PLACE : Noida**  
**DATE : 26.05.2016**

**FOR P.G. CHAWLA & CO.**  
**Firm Reg.No.014407N**  
**Chartered Accountants**



**P.G. CHAWLA**  
**(Partner)**  
**M.No.93392**

**ISGEC ENGINEERING & PROJECTS LTD.**

CIN: U29248HR2007PLC036695

**Balance Sheet as at 31st March 2016**

(In Rupees)

| Particulars                        | Note No. | As at<br>31.03.2016 | As at<br>31.03.2015 |
|------------------------------------|----------|---------------------|---------------------|
| <b>I. EQUITY &amp; LIABILITIES</b> |          |                     |                     |
| <b>1. Shareholders Funds</b>       |          |                     |                     |
| a) Share Capital                   | 1        | 4,00,00,000         | 3,60,00,000         |
| b) Reserve & Surplus               | 2        | (3,51,890)          | 36,063              |
|                                    |          | 3,96,48,110         | 3,60,36,063         |
| <b>2. Non-current Liabilities</b>  |          |                     |                     |
| (a) Long-term Borrowings           |          | -                   | -                   |
| (b) Deferred Tax Liabilities (Net) |          | -                   | -                   |
| (c) Other Long-term Liabilities    |          | -                   | -                   |
| (d) Long- term Provisions          |          | -                   | -                   |
| <b>3. Current liabilities</b>      |          |                     |                     |
| (a) Short-term Borrowings          |          |                     |                     |
| (b) Trade Payables                 | 3        | 2,00,000            | 2,00,000            |
| (c) Other Current Liabilities      | 4        | 15,050              | 16,123              |
| (d) Short Term Provisions          | 5        | 1,06,792            | -                   |
| <b>Total</b>                       |          | <b>3,99,69,952</b>  | <b>3,62,52,186</b>  |
| <b>II. ASSETS</b>                  |          |                     |                     |
| <b>1. Non-current Assets</b>       |          |                     |                     |
| a) Fixed Assets                    |          |                     |                     |
| i) Tangible Assets                 | 6        | 3,56,27,477         | -                   |
| ii) Intangible Assets              |          | -                   | -                   |
| iii) Capital Work in Progress      |          | -                   | 3,56,59,361         |
| (b) Non-current Investments        |          | -                   | -                   |
| (c) Deferred Tax Assets            |          | 99,174              | -                   |
| (d) Long-term Loans and Advances   |          | -                   | -                   |
| (e) Other Non-current Assets       |          | -                   | -                   |
|                                    |          | 3,57,26,651         | 3,56,59,361         |
| <b>2. Current Assets</b>           |          |                     |                     |
| (a) Current Investments            |          | -                   | -                   |
| (b) Inventories                    |          | -                   | -                   |
| (c) Cash & Bank Balance            | 7        | 39,93,510           | 1,87,642            |
| (d) Short term Loans & advances    | 8        | 1,25,207            | 3,993               |
| (e) Other Current Assets           | 9        | 1,24,584            | 4,01,190            |
|                                    |          | <b>42,43,301</b>    | <b>5,92,825</b>     |
| <b>Total</b>                       |          | <b>3,99,69,952</b>  | <b>3,62,52,186</b>  |
| Significant accounting policies    | 18       |                     |                     |
| Notes on Financial Statements      | 1 to 18  |                     |                     |

The notes referred above form an integral part of the Financial Statements

As per our report of even date.

FOR P.G.CHAWLA & CO.

Chartered Accountants

FRN No. 014407N

P.G.CHAWLA

(Partner)

M.No.93392

Place: Noida

Date : 26.05.2016

For Isgec Engineering & Projects Ltd.

S.K. KHORANA

Director

DIN: 00085300

ADITYA PURI

Director

DIN: 00052534



**ISGEC ENGINEERING & PROJECTS LTD.**

CIN: U29248HR2007PLC036695

**Statement of Profit & Loss for the year ended 31st March 2016**

(In Rupees)

|  | Note No. | Year ended<br>31.03.2016 | Year ended<br>31.03.2015 |
|--|----------|--------------------------|--------------------------|
| <b>I. REVENUE</b>                      |          |                          |                          |
| Revenue from Operations                | 10       | 3,60,000                 | -                        |
| Interest on Fixed Deposit              |          | 1,92,057                 | 33,958                   |
| Other Interest                         |          | 132                      | 346                      |
| Total Revenue                          |          | 5,52,189                 | 34,304                   |
| <b>II. EXPENSES</b>                    |          |                          |                          |
| Other Expenses                         | 11       | 4,19,535                 | 37,678                   |
| Depreciation                           |          | 5,12,394                 | -                        |
| Total Expenses                         |          | 9,31,929                 | 37,678                   |
| <b>III. Profit/(Loss) for the year</b> |          | (3,79,740)               | (3,374)                  |
| <b>IV. Tax Expenses:</b>               |          |                          |                          |
| Current Tax                            |          | 1,06,792                 | -                        |
| Previous year tax adjustment           |          | 595                      | -                        |
| Deferred Tax                           |          | (99,174)                 | -                        |
| Profit/(Loss) after tax                |          | (3,87,953)               | (3,374)                  |
| Earning Per Share                      |          | (0.1008)                 | (0.0009)                 |
| Significant accounting policies        | 18       |                          |                          |
| Notes on Financial Statements          | 1 to 18  |                          |                          |

The notes referred above form an integral part of the Financial Statements

As per our report of even date.

FOR P.G.CHAWLA &amp; CO.

Chartered Accountants

FRN No.014407N

P.G. CHAWLA  
(Partner)

M.No.93392

Place: Noida

Date : 26.05.2016

For Isgec Engineering &amp; Projects Ltd.

S.K. KHORANA  
Director

DIN: 00085300

ADITYA PURI  
Director

DIN: 00052534

**ISGEC ENGINEERING & PROJECTS LTD.**

CIN: U29248HR2007PLC036695

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

( Amount in Rupees)

|   | Year ended<br>31.3.2016 | Year ended<br>31.3.2015 |
|---|-------------------------|-------------------------|
| <b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>                            |                         |                         |
| Net Profit/(Loss) Before Tax  | (3,79,740)              | (3,374)                 |
| <b>Adjustments for:</b>   |                         |                         |
| Interest Income   | (1,92,189)              | (33,958)                |
| Depreciation  | 5,12,394                | -                       |
| <b>Operating profit/(loss) before working capital changes</b>             | <b>(59,535)</b>         | <b>(37,332)</b>         |
| <b>Adjustment for Changes in working Capital</b>                          |                         |                         |
| Adjustments for (Increase)/Decrease in operating assets:                  | 2,76,606                | -                       |
| Increase/(Decrease) in Other current liabilities & Provisions             | (1,073)                 | 2,00,296                |
| <b>Cash generated from Operations</b>                                     | <b>2,15,998</b>         | <b>1,62,964</b>         |
| Direct Taxes Refund/ (Paid)   | (1,21,809)              | 6,269                   |
| <b>Net Cash Flow from Operating Activities</b>                            | <b>94,189</b>           | <b>1,69,233</b>         |
| <b>B) CASH FLOW FROM INVESTING ACTIVITIES:</b>                            |                         |                         |
| Capital Work in Progress  | (4,80,510)              | (39,44,497)             |
| Interest Received   | 1,92,189                | 33,958                  |
| <b>Net Cash used in Investing Activities</b>                              | <b>(2,88,321)</b>       | <b>(39,10,539)</b>      |
| <b>C) CASH FLOW FROM FINANCING ACTIVITIES:</b>                            |                         |                         |
| Proceeds from share capital   | 40,00,000               | 30,00,000               |
| <b>Net Cash used in financing activities</b>                              | <b>40,00,000</b>        | <b>30,00,000</b>        |
| <b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>     | <b>38,05,868</b>        | <b>(7,41,306)</b>       |
| <b>Cash and Cash equivalents as at 1st April, 2015 (Opening Balance)</b>  | <b>1,87,642</b>         | <b>9,28,948</b>         |
| <b>Cash and Cash equivalents as at 31st March, 2016 (Closing Balance)</b> | <b>39,93,510</b>        | <b>1,87,642</b>         |

Note: The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standards-3 on Cash Flow Statements.

**FOR P.G.CHAWLA & CO.**

Chartered Accountants

FRN No. 014407N

P.G. CHAWLA  
(Partner)

M.No.093392

Place: Noida

Date : 26.05.2016

**For Isgec Engineering & Projects Ltd.**  
S.K. KHORANA  
Director  
DIN: 00085300  
ADITYA PURKAYASTHA  
Director  
DIN: 00052534

**ISGEC ENGINEERING & PROJECTS LTD.**

**Notes on Financial Statements**

**Note 1 Share Capital**

| Particulars  | As at 31.03.2016 |             | As at 31.03.2015 |             |
|--|------------------|-------------|------------------|-------------|
|  | Number of shares | Rs.         | Number of shares | Rs.         |
| <b>Authorised</b><br>Equity shares of Rs.10/-each with voting rights                   | 50,00,000        | 5,00,00,000 | 50,00,000        | 5,00,00,000 |
| <b>Issued</b><br>Equity shares of Rs.10/-each with voting rights                       | 40,00,000        | 4,00,00,000 | 36,00,000        | 3,60,00,000 |
| <b>Subscribed and Fully Paid-up</b><br>Equity shares of Rs.10/-each with voting rights | 40,00,000        | 4,00,00,000 | 36,00,000        | 3,60,00,000 |
|  | 40,00,000        | 4,00,00,000 | 36,00,000        | 3,60,00,000 |

**Notes:**

- (a) **The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital are as under:**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each share holder is entitled to one vote per share. The dividend proposed by the board of directors is subject to the approval of the share holders in the ensuing Annual General Meeting. In the event of the liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of all the preferential amounts. The distribution will be in proportion to number of equity shares held by each of the equity share holders.

- (b) **Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year :**

| Particulars   | As at 31.03.2016 |                    | As at 31.03.2015 |                    |
|---|------------------|--------------------|------------------|--------------------|
|   | Number of shares | Rs.                | Number of shares | Rs.                |
| Equity shares outstanding at the beginning of the year    | 36,00,000        | 3,60,00,000        | 33,00,000        | 3,30,00,000        |
| Add: Issued during the year                               | 4,00,000         | 40,00,000          | 3,00,000         | 30,00,000          |
| Less: Shares bought back                                  | -                | -                  | -                | -                  |
| <b>Equity shares outstanding at the close of the year</b> | <b>40,00,000</b> | <b>4,00,00,000</b> | <b>36,00,000</b> | <b>3,60,00,000</b> |

- (c) **Detail of Shares held by holding Company**

| Class of shares/Name of the shareholders:  | As at 31.03.2016      |                                   | As at 31.03.2015      |                                   |
|--|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
|  | Number of shares held | % Holding in that class of shares | Number of shares held | % Holding in that class of shares |
| Equity shares with voting rights<br>(i) Isgec Heavy Engineering Ltd.   | 40,00,000             | 100%                              | 36,00,000             | 100%                              |
| Out of 40,00,000 shares (previous year 36,00,000 shares) , 6 shares are held by 6 individuals holding 1 share each as nominee of Isgec Heavy Engineering Ltd |                       |                                   |                       |                                   |

**ISGEC ENGINEERING & PROJECTS LTD.**

**Notes on Financial Statements**

**Note 2 Reserves and Surplus**

(In Rupees)

| Particulars  | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|---------------------|---------------------|
| <b>(a) Surplus in Statement of Profit and Loss</b> |                     |                     |
| Balance outstanding at the beginning of the year   | 36,063              | 39,437              |
| Add: Additions during the year                     | (3,87,953)          | (3,374)             |
| Less: Appropriations                               |                     |                     |
| - Proposed Dividend                                |                     |                     |
| - Dividend Tax                                     |                     |                     |
| - Transfer to General Reserve                      | -                   | -                   |
| Balance outstanding at the close of the year       | <b>(3,51,890)</b>   | <b>36,063</b>       |

**Note 3 Trade Payables**

(In Rupees)

| Particulars                  | As at<br>31.03.2016 | As at<br>31.03.2015 |
|------------------------------|---------------------|---------------------|
| Woodside Developers Pvt. Ltd | 2,00,000            | 2,00,000            |
|                              | <b>2,00,000</b>     | <b>2,00,000</b>     |

**Note 4 Other Current Liabilities**

(In Rupees)

| Particulars      | As at<br>31.03.2016 | As at<br>31.03.2015 |
|------------------|---------------------|---------------------|
| TDS Payable      | -                   | 4,723               |
| Expenses payable | 15,050              | 11,400              |
|                  | <b>15,050</b>       | <b>16,123</b>       |

**Note 5 Short-term Provisions**

(In Rupees)

| Particulars            | As at<br>31.03.2016 | As at<br>31.03.2015 |
|------------------------|---------------------|---------------------|
| Provision for Taxation | 1,06,792            | -                   |
|                        | <b>1,06,792</b>     | -                   |

**ISGEC ENGINEERING & PROJECTS LTD.**

CIN: U29248HR2007PLC036695

**Note 6 Fixed Assets**

(In Rupees)

| Particulars                            | Gross Block              |                    |                         |                          | Depreciation             |                    |                                 | Net Block                |                          |
|--|--------------------------|--------------------|-------------------------|--------------------------|--------------------------|--------------------|---------------------------------|--------------------------|--------------------------|
|  | Balance as at 01.04.2015 | Additions          | Deductions/ Adjustments | Balance as at 31.03.2016 | Balance as at 01.04.2015 | For the year as at | Deduction on disposal of assets | Balance as at 31.03.2015 | Balance as at 31.03.2015 |
| <b>Tangible Assets</b>                 |                          |                    |                         |                          |                          |                    |                                 |                          |                          |
| Land                                   | -                        | 2,22,75,871        | -                       | 2,22,75,871              | -                        | -                  | -                               | 2,22,75,871              | -                        |
| Building                               | -                        | 1,38,64,000        | -                       | 1,38,64,000              | -                        | 5,12,394           | -                               | 1,33,51,606              | -                        |
| <b>Total</b>                           | -                        | <b>3,61,39,871</b> | -                       | <b>3,61,39,871</b>       | -                        | <b>5,12,394</b>    | -                               | <b>3,56,27,477</b>       | -                        |
| <b>Previous Year - Tangible Assets</b> | -                        | -                  | -                       | -                        | -                        | -                  | -                               | -                        | -                        |

NOTE : Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.



**ISGEC ENGINEERING & PROJECTS LTD.****Notes on Financial Statements****Note 7 Cash and Bank Balances**

(In Rupees)

| Particulars   | As at<br>31.03.2016 | As at<br>31.03.2015 |
|---|---------------------|---------------------|
| <b>Cash &amp; Cash Equivalents</b>  |                     |                     |
| i) In Current account   | 7,93,510            | 1,87,642            |
| ii) In Fixed Deposits maturing after three<br>months from date of deposit but within one<br>year from balance Sheet date. | 32,00,000           | -                   |
|   | -                   | -                   |
|   | <b>39,93,510</b>    | <b>1,87,642</b>     |

**Note 8 Short-term Loans & advances**

(In Rupees)

| Particulars                          | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--------------------------------------|---------------------|---------------------|
| Taxes Refundable:                    |                     |                     |
| Advance tax & Tax Deducted at Source | 1,25,207            | 3,993               |
|                                      | <b>1,25,207</b>     | <b>3,993</b>        |

**Note 9 Other Current assets**

(In Rupees)

| Particulars                                    | As at<br>31.03.2016 | As at<br>31.03.2015 |
|--|---------------------|---------------------|
| Interest accrued but not due on Fixed Deposits | 1,24,584            | -                   |
| Preliminary Expenses                           | -                   | 4,01,190            |
|  | <b>1,24,584</b>     | <b>4,01,190</b>     |

**Note 10 Revenue from Operations**

(In Rupees)

| Particulars   | Year ended<br>31.03.2016 | Year ended<br>31.03.2015 |
|---------------|--------------------------|--------------------------|
| Rent received | 3,60,000                 | -                        |
|               | <b>3,60,000</b>          | <b>-</b>                 |

**Note 11 Other Expenses**

(In Rupees)

| Particulars           | Year ended<br>31.03.2016 | Year ended<br>31.03.2015 |
|-----------------------|--------------------------|--------------------------|
| Professional Expenses | 2,000                    | 22,600                   |
| Auditors Remuneration | 11,450                   | 11,400                   |
| Filing Fee            | 4,200                    | 3,000                    |
| Bank Charges          | 695                      | 678                      |
| Preliminary expenses  | 4,01,190                 | -                        |
|                       | <b>4,19,535</b>          | <b>37,678</b>            |

**ISGEC ENGINEERING & PROJECTS LTD.**

**Notes on Financial Statements**

**12 Company's Overview**

The Company is the wholly owned subsidiary company of Isgec Heavy Engineering Limited holding the entire share capital alongwith its nominees.

**13 Related party transactions**

In accordance with the Accounting Standard on "Related Party disclosures" (AS-18) the disclosures in respect of related parties and transactions with them, as identified and certified by the management, are as follows:

**i) Description and name of related parties**

Description of relationship:

*Directors*

Mr. Aditya Puri

*Holding Company*

Isgec Heavy Engineering Limited

*Key Management Personnel*

None

**ii) Details of related party transactions**

|           | <b>Particulars</b>  | <b>Year ended<br/>31.03.2016</b> | <b>Year ended<br/>31.03.2015</b> |
|-----------|---|----------------------------------|----------------------------------|
| <b>a)</b> | <b>Rent Received</b><br>- Holding Company<br>Isgec Heavy Engineering Ltd. | 3,60,000                         |                                  |

14 **Earning per share:**

In accordance with Accounting Standard (AS-20) on 'Earnings Per Share' the following table reconciles the numerator and denominator used to calculate Basic and Diluted Earnings Per Share:

| Particulars  | Year ended<br>31.03.2016 | Year ended<br>31.03.2015 |
|--|--------------------------|--------------------------|
| Net Profit / (Loss) available to Equity Shareholders   | (3,87,953)               | (3,374)                  |
| Number of Weighted Average Equity Shares outstanding during the year for the purpose of calculation of Earning Per Share | 38,50,411                | 35,69,589                |
| Nominal value of Equity Share (In Rs.)   | 10.00                    | 10.00                    |
| Basic & Diluted Earning per Share (In Rs.)   | (0.1008)                 | (0.0009)                 |

- 15 On the basis of information available with the company as to whether an enterprise is a Micro/Small enterprises under the MSMED Act, 2006 there was no amount remaining unpaid or delayed in payment during the period beyond the agreed credit period. Hence no interest is due or paid to any such enterprise.
- 16 Previous year figures have been regrouped rearranged wherever required to make them comparable with current Period figures.
- 17 There is no other information required to be disclosed apart from the information already disclosed, pursuant to the requirements of Schedule III to the Companies Act,2013

As per our report of even date.

**FOR P.G.CHAWLA & CO.**

Chartered Accountants

FRN No. 014407N



P.G. CHAWLA  
(Partner)


M.No.93392

Place: Noida

Date : 26.05.2016

**For ISGEC Engineering & Projects Ltd.**

  
S.K. KHORANA  
Director  
DIN: 00085300

  
ADITYA PURI  
Director  
DIN: 00052534