



V. GANESH & CO.,

Off : 2642 2072

Chartered Accountants

New No. 76, Old No. 151/1, Vellala Street, Purasawalkam, Chennai 600 084.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BALAJI ENGINEERING AND GALVANIZING FOR THE YEAR ENDED 31.03.2015

To

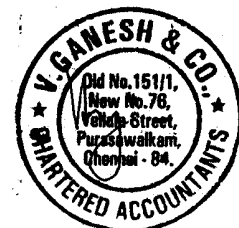
The Members of BALAJI ENGINEERING AND GALVANIZING,
No.61, Sembudoss street,
Chennai- 600001.

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of BALAJI ENGINEERING AND GALVANIZING, Chennai – 600001 ("the company"), which comprise the Balance Sheet as at 31 March 2015, and 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 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 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 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.

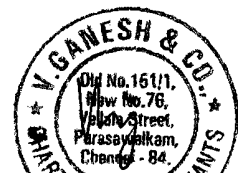
An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud 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 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 reporting and the operating effectiveness of such control. 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 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;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) as the company has no activity the Statement of Profit and Loss has not been prepared.
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



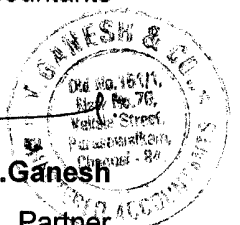
Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) order 2015 ('the order') 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 matter specified in Para 3 and 4 of the said order, to the extent applicable.
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 purpose 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 the books.
 - c) The Balance sheet 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 March 31, 2015 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2015, from being appointed as a Director in terms of Section 164 (2) of the Act, and
 - f) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 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 litigations which would impact 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. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For M/s. V Ganesh and Co.
Chartered Accountants

Place: Chennai

Date: 14/5/2015


V. Ganesh
Partner
M-NO 220197
F-NO 1005238

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BALAJI ENGINEERING AND GALVANIZING FOR THE YEAR ENDED 31ST MARCH, 2015.

The Annexure referred to in our report to the members of BALAJI ENGINEERING AND GALVANIZING for the year Ended on 31st March 2015. We report that:

- (i) The Company does not have any Fixed assets hence Clause i(a) and i(b) are not applicable.
- (ii) In our opinion and according to the information given to us the provision of clause 4 ii (a), (b) and (c) are not applicable to this company.
- (iii) The company has not granted any loan to the Companies, firms or other parties covered in the register maintained under sec 189 of the companies act and hence clause iii (a) and (b) are not applicable
- (iv) In our opinion and according to the information and explanations given to us, the company has an adequate internal control system Commensurate with size of the company and natures of its business with regard to the purchase of fixed assets.

During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- (v) According to the information and explanations given to us, the company has not accepted any deposit within the meaning of Sec 73 to 76 of the companies Act 2013, during the year.
- (vi) The Central Government has not Prescribed maintenance of cost records under section 148(1) of the Companies Act 2013.
- (vii) As per the information and explanations given to us, the company is not subject to Provident fund, Investor Education and Protection fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty and cess.



- (viii) The company has not incurred cash losses during the financial year covered by our Audit and in the immediately preceding financial year. There is no accumulated losses at the end of the financial year 31st March 2015. However the expenditure incurred by the company during the year are debited to pre-operative expenses in Non-current assets and the accumulated balance at the end of the year was Rs.1,19,159/-
- (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. The company does not have debenture holders.
- (x) According to the information and explanation given to us the company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) The company has not obtained any term loan during the year.
- (xii) According to the information and explanations given to us no fraud on or by the company has been noticed or reported during the year;

For M/s. V Ganesh and Co.


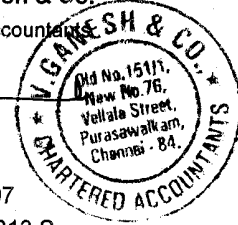
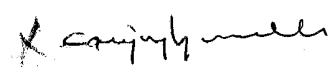

Chartered Accountants

Place: Chennai

Date: 14/5/2015

V. Ganesh
Partner
M. No. 026197
FRN: 005313S

Balaji Engineering & Galvanizing Limited, 61, Sembudoss Street, Chennai - 600001
Balance Sheet as at 31st March, 2015

| Particulars | Note No. | As At March 31, 2015 | As At March 31, 2014 |
|---|----------|---|----------------------|
| I. EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share Capital | 2 | 500000.00 | 500000.00 |
| Reserves & Surplus | | | |
| | | 500000.00 | 500000.00 |
| Minority Interest | | | |
| Non-Current Liabilities | | | |
| Long Term Borrowings | 3 | 796159.00 | 786056.00 |
| Deferred Tax Liabilities | | | |
| Other Long Term Liabilities | | | |
| Long Term Provisions | | | |
| | | 796159.00 | 786056.00 |
| Current Liabilities | | | |
| Short Term Borrowings | | | |
| Trade Payables | | | |
| Other Current Liabilities | 4 | 30000.00 | 25000.00 |
| Short Term Provisions | | | |
| | | 30000.00 | 25000.00 |
| TOTAL | | 1326159.00 | 1311056.00 |
| II. ASSETS | | | |
| Non-Current Assets | | | |
| Fixed Assets | | | |
| (i) Tangible assets | | | |
| (ii) Capital work-in-progress | | | |
| Non-Current Investments | | | |
| Deferred tax assets (net) | | | |
| Long Term Loans and Advances | 5 | 1201000.00 | 1201000.00 |
| Other Non-Current Assets | 6 | 119159.00 | 104056.00 |
| | | 1320159.00 | 1305056.00 |
| Current assets | | | |
| Current Investment | | | |
| Inventories | | | |
| Trade Receivables | | | |
| Cash and Cash Equivalents | 7 | 6000.00 | 6000.00 |
| Short Term Loans and Advances | | | |
| Other Current Assets | | | |
| | | 6000.00 | 6000.00 |
| TOTAL | | 1326159.00 | 1311056.00 |
| As per our report of even date For V Ganesh & Co. Chartered Accountants | | On Behalf of the Board | |
|   V Ganesh Partner M. No. 26197 FR No. 005313 S | |  Sanjay Agarwalla Director | |
| Place : Chennai Date : 14th May, 2015 | |  Sanjay Tulsyan Director | |

| Notes to Balance Sheet | As at 31/03/2015 | As at 31/03/2015 |
|--|-------------------------------|-------------------------------|
| Note No. 2 <u>SHARE CAPITAL</u> | | Total |
| Authorised Share Capital 50,000 Equity Shares of Rs. 10/- each | 500000.00 | 500000.00 |
| Issued, Subscribed and Paid up 50,000 Equity Shares of Rs. 10/- each | 500000.00 | 500000.00 |
| | 500000.00 | 500000.00 |
| Shareholding more 5% of the Paid up Capital Name Tulsyan NEC Limited | No. of Shares 49400 | No. of Shares 49400 |
| Note No. 3 <u>LONG TERM LIABILITIES</u> | | |
| Unsecured Loans From Body Corporate | 796159.00 | 786056.00 |
| | 796159.00 | 786056.00 |
| Note No. 4 <u>OTHER CURRENT LIABILITIES</u> | | |
| Other Current Liabilities | 30000.00 | 25000.00 |
| | 30000.00 | 25000.00 |
| Note No. 5 Long term loans and advances | 1201000.00 | 1201000.00 |
| | 1201000.00 | 1201000.00 |
| Note No. 6 Other Non-Current Assets | 119159.00 | 104056.00 |
| | 119159.00 | 104056.00 |
| Note No. 7 Cash and cash equivalents | | |
| Cash in hand | 6000.00 | 6000.00 |
| | 6000.00 | 6000.00 |



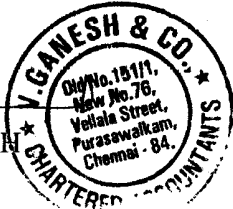
BALAJI ENGINEERING & GALVANIZING LIMITED
CASHFLOW STATEMENT FOR THE YEAR 2014-2015

| A. CASH FLOW FROM OPERATING ACTIVITIES | 31.03.2015 |
|---|-------------------|
| Profit before Tax (loss) | - |
| Add : Adjustments for: | |
| Depreciation | - |
| Amortization of unabsorbed interest | - |
| Operating Profit before Working Capital Changes | - |
| Adjustments for: | |
| Add : <i>Decrease in Current Assets</i> | - |
| Long term loans and advance | - |
| Add : <i>Increase In Current Liabilities</i> | |
| Other Current Liabilities | 5,000.00 |
| | 5,000.00 |
| Less : <i>Decrease In Current Liabilities</i> | - |
| Trade Payable | - |
| Short term Provision | - |
| Less : <i>Increase In Non-Current Assets</i> | |
| Other Non-Current Assets | (15,103.00) |
| | (15,103.00) |
| Cash generated from Operations | - |
| Tax Payable/Paid | - |
| Net Cash from Operating Activities (A) | (10,103.00) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | |
| Purchase of Fixed Assets | - |
| Sale of Fixed Assets | - |
| Net Cash used in Investing activities (B) | - |
| C. CASH FLOW FROM FINANCING ACTIVITIES | |
| Long Term Borrowings | 10,103.00 |
| | - |
| Net Cash from financing activities (C) | 10,103.00 |
| NET DECREASE IN CASH & CASH EQUIVALENTS (A+B+C) | - |
| Opening Cash & Cash Equivalent | 6,000.00 |
| Closing Cash & Cash Equivalent | 6,000.00 |

As per our Report of E
For V.Ganesh & Co
Chartered Accountant

For and on behalf of Board

V.GANESH
Partner
Chennai
Date: 14-05-2015



[Signature]
Sanjay Agarwalla
Director

[Signature]
Sanjay Tulyan
Director

Note No. 1.

Significant Accounting Policies

AS 1: Disclosure of Accounting Policies

Basis of preparation of Financial Statements

- a) The accounts are prepared on historical cost convention and comply with the mandatory accounting standards issued by the Institute of Chartered Accountants of India.
- b) Accounting policies not specifically referred to are consistent and in consonance with generally accepted accounting principles.

AS 3: Cash flow Statement

Cash Flow Statement is attached to the Balance sheet.

AS 18: Related party disclosure

I) Where control exists:

Holding Company: Tulsyan NEC Ltd

II) Transaction with related parties referred in I, in Ordinary course of business.

| Nature of Transaction | Holding company |
|------------------------------|------------------------|
| Unsecured Loan | Rs.7,96,159/- |

AS 26: Intangible Asset

The company has not expended towards intangible asset during the year.

As the company is yet to commence its production, the expenses incurred since the incorporation of the Company mainly of Statutory payments amounting to Rs 1,19,159/- are accounted as Pre-Operative expenses/Pre-incorporation Expenses and are reflected in Balance Sheet under the head Non-Current asset.

The company intends to write off these expenses after commencing its activity.



AS 29: Provisions, contingent liability and contingent asset

- a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for: Nil.
- b) Claims against the Company not acknowledge as debts: Nil.

2. The disclosure under other Accounting Standards does not arise as the company has neither transacted nor involved in transactions covered under these standards.

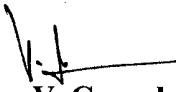
3. As the company is yet to commence its activity the Statement of Profit and Loss is not prepared.

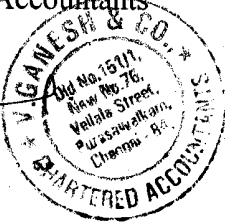
4. The company in the earlier year has advanced to Jodhpur Properties and Finance (P) Limited towards purchase of Land and the balance at the end of the year was Rs 12,01,000/-

AS per our report of even date

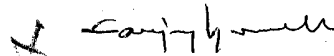
For M/s V. Ganesh & Co.,

Chartered Accountants


V. Ganesh
Partner



On behalf of the Board


Sanjay Agarwalla
Director


Sanjay Tulsyan
Director

Place: Chennai

Date: 14th May, 2015