

# Rakesh Jha & Co.

Chartered Accountants

14, Bireswar Dhole Lane

Kolkata - 700 035

Mob. No. : 9903607655 / 8420033123

mail : ca\_rakeshjha@hotmail.com



Date.....

## **Independent Auditor's Report**

To the Members of  
**PREMSAGAR MERCHANTS PRIVATE LTD**

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

We have audited the accompanying financial statements of PREMSAGAR MERCHANTS PRIVATE LTD ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year the 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 stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 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.

### **Auditors' 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 valuating 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.

### Opinions

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

- 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 Profit and Loss Account, of the loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

### Report on Other Legal and Regulatory Requirement

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 matters specified in the paragraph 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 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 appears from our examination of those books
  - c) The Balance Sheet, Statement of Profit and Loss, and 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 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

Place: Kolkata  
Date: 08.05.2015

FOR RAKESH JHA & CO.  
Chartered Accountants

*Rakesh Kumar Jha*

(Rakesh Kumar Jha)

Proprietor

M.No. 303577

F R No. 328480E

**ANNEXURE TO INDEPENDENT AUDITOR'S REPORT**  
**Referred to in paragraph 1 under the heading of "Report on Other Legal & Regulatory Requirements" of our report of even date**

**PREMSAGAR MERCHANT'S PRIVATE LTD**

Based on information and explanation furnished to us and record examined by us in the normal course of audit, we also report that to the best of our knowledge and belief:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.  
  
(b) The fixed assets of the company have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification. But a charge of Rs 3 Crore has been created on the mentioned land with Srei Equipment Finance Limited as a guarantor of Ahluwalia Contracts (India) Ltd against a loan of Rs. 15 Crore.
- (ii) The Company does not hold any inventory and accordingly, sub clause (a), (b), (c) of Clause (ii) of Companies (Auditors Report) Order, 2015 (as amended) are not applicable to Company.
- (iii) (a) The Company has granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act.  
  
(b) In respect of the aforesaid loans, there is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there were no purchase of fixed assets, sales of goods and services during the year. Hence, we have not commented on the adequacy of internal control procedures of the company with regards to purchase of fixed assets, sales of goods and services.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government of India has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under and as such we are not required to comment on the same.
- (vii) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund,

Employees' State Insurance, Income-Tax, Sale-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it.

- (b) According to the information and explanation given to us, there are no dues with respect to income tax, sales tax, wealth tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, which have not been deposited on account of any dispute.
- (c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (viii) The accumulated losses of the company as on the end of the financial period ended 31st March 2015 is Rs. 2,31,364.00.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders in the period under review.
- (x) According to the information and explanations given to us, the company has given guarantee on behalf of its holding company Ahluwalia Contracts (India) Ltd to Srei Equipment Finance against a loan of Rs. 15 Crore. Also a charge of Rs 3 Crore has been created on the land of the Company situated at Muza Chakmasur. P.S.-Kasba, Sub Registry Office Sealdah, R.S. No. 21½, J.L. No. 30, Touzi No. 151, Kahitan No. 34, Dag No. 53 in the district of South 24 Pgs, the Municipal Premises (Seven in all) Nos of which being 464 and 465, Ajaynagar, 1983, Chakgaria: 337, Ajaynagar ;1984, Chakgaria;8, Ajaynagar and 1938/1, Chakgaria, respectively with ward no 109 of Kolkata Municipal Corporation.
- (xi) According to the information and explanations given to us, the company has given guarantee in the name of its holding company Ahluwalia Contracts (India) Ltd for a term loans of Rs 15 Crore taken from Srei Equipment Finance Limited.
- (xii) Based upon the audit procedure performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

Place: Kolkata  
Date: 08.05.2015

FOR RAKESH JHA & CO.  
Chartered Accountants

*Rakesh Kumar Jha*

(Rakesh Kumar Jha)

Proprietor

M.No. 303577

F R No. 328480E

**PREMSAGAR MERCHANTS PRIVATE LTD**  
**KB-25 SALT LAKE CITY, SECTOR III**  
**5TH FLOOR, KOLKATA 700 098**  
**Balance Sheet as at 31st March, 2015**

Particulars	Note No	As at 31 March 2015	As at 31 March 2014
		Rs.	Rs.
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholders' Funds			
(a) Share Capital	2	8,875,000.00	100,000.00
(b) Reserves and Surplus	3	(380,490.51)	(149,126.51)
(2) Non-Current Liabilities			
Other Long term liabilities	4	-	10,525,203.00
(3) Current Liabilities			
(a) Other current liabilities	5	143,245.00	134,600.00
(b) Short Term Provisions	6	13,777.00	12,000.00
<b>Total</b>		<b>8,651,531.49</b>	<b>10,622,676.49</b>
<b>II. Assets</b>			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	7	6,915,559.00	6,915,559.00
(ii) Capital work-in-progress	7	1,706,831.50	1,705,276.50
(2) Current assets			
(a) Cash and cash equivalents	8	29,140.99	28,233.49
(b) Short-term loans and advances	9	-	1,973,607.50
<b>Total</b>		<b>8,651,531.49</b>	<b>10,622,676.49</b>

As Per Our Separate Report of Even Date Annexed  
FOR RAKESH JHA & CO.  
Chartered Accountants  
FIRM REGN. NO.: 328480E

Place : Kolkata  
Date : 08.05.2015

*Rakesh Kumar Jha*  
CA. RAKESH KUMAR JHA  
Proprietor  
M. NO.: 303577

For Premsagar Merchants Pvt Ltd

*[Signature]*  
(Director)

*[Signature]*  
(Director)



## PREMSAGAR MERCHANTS PRIVATE LTD

KB-25 SALT LAKE CITY, SECTOR III

5TH FLOOR, KOLKATA 700 098

## Profit and Loss statement for the year ended 31st March, 2015

	Particulars	Note No	for the year ended 31-03-2015	for the year ended 31-03-2014
	<b>INCOME</b>		Rs.	Rs.
I.	Revenue from operations		-	-
II.	Other Income		-	-
	Total Revenue (I +II)		-	-
III	<u>Expenses:</u>			
	Other expenses	10	231,364.00	20,600.00
	Total Expenses		231,364.00	20,600.00
IV.	Profit/(Loss)before tax		(231,364.00)	(20,600.00)
V	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
VI	Profit / (Loss) for the period		(231,364.00)	(20,600.00)
VII	Earning per equity share:			
	(1) Basic		(0.26)	(2.06)
	(2) Diluted		(0.26)	(2.06)

As Per Our Separate Report of Even Date Annexed  
FOR RAKESH JHA & CO.  
Chartered Accountants  
FIRM REGN. NO.: 328480E

*Rakesh Kumar Jha*  
CA. RAKESH KUMAR JHA

Proprietor  
M. NO.: 303577

For Prensagar Merchants Pvt Ltd

*[Signature]*  
( Director)

*[Signature]*  
( Director)

Place : Kolkata  
Date : 08.05.2015



**PREMSAGAR MERCHANTS PRIVATE LTD**  
**KB-25 SALT LAKE CITY, SECTOR III**  
**5TH FLOOR, KOLKATA 700 098**

**BALANCE SHEET AND PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31-03-2015**

**A SIGNIFICANT ACCOUNTING POLICIES**

**1 Accounting Concepts, Conventions & Systems**

The financial statements are prepared on the basic concept of going concern under historical cost convention on Accrual Basis by following the Mercantile System of Accounting. These statements are in accordance with the requirements of Companies Act, 1956

**2 USE OF ESTIMATES**

The preparation of financial statements requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures

**3 Fixed Assets & Depreciation**

Free Hold land/Lease Hold Land is stated as original cost of acquisition, inclusive of all incidental expenses thereto. A charge of Rs 3 Crore has been created on the mentioned land with Srei Equipment Finance Limited as a guarantor of Ahluwalia Contracts (India) Ltd.

**4 BORROWING COST**

Borrowing Costs attributable to the fixed assets during their construction are capitalized. Such borrowing costs are debited to Capital-Work-in-Progress to be capitalized on completion of the project. Other Borrowing costs are charged to the Profit and Loss statement, if any.

**5 PRIOR PERIOD ITEMS:**

Prior period items (if any) are shown under the head Prior period adjustment in Profit & Loss Statement and Balance Sheet as the case may be.

**6 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Contingent Liabilities are disclosed by way of notes in the Balance Sheet. Provision is made in the accounts in respect of those contingencies which are likely to be materialised into liabilities after the year end, till the finalisation of accounts and have material effect on the position stated in the Balance Sheet. Contingent assets are not recognized in the accounts.

**7 EARNING PER SHARE**

The company reports basic and diluted Earning per share (EPS) in accordance with Accounting Standard (AS)-20 on "Earning per Share". Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of dilutive potential equity shares except where the results are anti-dilutive.

**B NOTES TO ACCOUNTS**

1 Previous year's figures have been regrouped and reclassified wherever necessary to conform to the current period

Particulars	As at 31 March 2015		As at 31 March 2014	
	Number	Amounts	Number	Amounts
<b>2 Share capital</b>				
<b>a) Authorised share capital</b>				
Equity shares of ₹ 10 each	1,000,000	10,000,000	20,000	200,000
	1,000,000	10,000,000	20,000	200,000
<b>Issued, subscribed and paid up</b>				
Equity shares of ₹ 10 each, fully paid up	887,500	8,875,000	10,000	100,000
	887,500	8,875,000	10,000	100,000





b) Reconciliation of equity share capital

	Number	Amounts	Number	Amounts
Equity shares of ₹ 10 each				
Balance at the beginning of the year	10,000	100,000	10,000	100,000
Add : Issued during the year	877,500	8,775,000	-	-
Balance at the end of the year	887,500	8,875,000	10,000	100,000

d) Shareholders holding more than 5% of the shares

	Number	% of Holding	Number	% of Holding
i. Equity shares of ₹ 10 each				
Ahluwalia Contracts (India) Ltd (Holding Company)	887,400	99.99%	9,900	99.00%
Vikas Ahluwalia (Nominee of Ahluwalia Contracts (India) Ltd)	100	0.01%	100	1.00%
	887,500	100.00%	10,000	100.00%

e) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 each per share. Each shareholder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the board of directors if any, is subject to approval of the shareholders in the ensuing annual general meeting. In the event of 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 preferential amounts. The distribution will be proportion to the number of equity shares held by the shareholders.

f) No bonus shares were issued by the company in the last 5 years.

3 Reserves & Surplus

Particulars	As at	
	March 31, 2015	March 31, 2014
Profit & Loss Statement	380,490.51	149,126.51
	380,490.51	149,126.51

4 Other Long Term Liabilities

Unsecured Loan From ACH as holding company	-	10,525,203.00
	-	10,525,203.00

5 Other Current Liabilities

Others	143,245.00	134,600.00
	143,245.00	134,600.00

6 Short Term Provisions

Electricity Charges	222.00	
Property Tax	1,555.00	
Auditors Remuneration	12,000.00	12,000.00
	13,777.00	12,000.00

8 Cash and Cash Equivalents

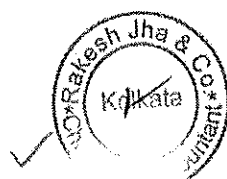
Balances with Banks- In Current Account	27,065.99	27,062.49
Cash In hand	2,075.00	271.00
	29,140.99	28,233.49

9 Short Term Loans and Advances

Loans & advances to related parties	-	1,973,607.50
	-	1,973,607.50

10 Details of Others Expenses

Legal & Professional Expenses	14,345.00	-
Audit Fees	12,000.00	12,000.00
Electricity Charges	2,418.00	-
Write Off	1.00	-
Filing Fees	202,100.00	8,600.00
	231,364.00	20,600.00



11 Earning Per Share (EPS)

Net Profit/(Loss) after tax	(231,364.00)	(20,600.00)
Weighted average no. of equity shares (Nos.)	887,500	10,000 #
Weighted average no. of diluted equity shares (Nos.)	887,500	10,000 #
Nominal Value of Equity Shares	10.00	10.00
Basic Earnings/(Loss) per share	(0.26)	(2.06)
Diluted Earnings/(Loss) per share	(0.26)	(2.06)

For Pransagar Merchants Pvt Ltd



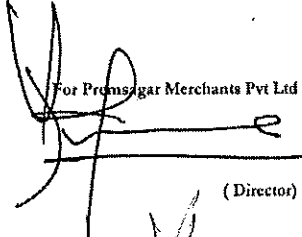
(Director)

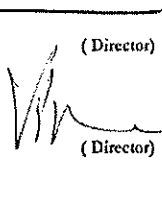
(Director)

**PREMSAGAR MERCHANTS PRIVATE LTD**  
**KB-25 SALT LAKE CITY, SECTOR III**  
**5TH FLOOR, KOLKATA 700 098**

12 Related parties disclosures ( AS- 18 )		March 31, 2015		March 31, 2014	
Name of Related Party and Nature of Relationship & nature of transaction	Transaction Value	Outstanding Amounts carried in the Balance Sheet	Transaction Value	Outstanding Amounts carried in the Balance Sheet	
<b>(a) Holding Company</b>					
Share Issued					
Ahluwalia Contracts (India) Ltd.	8,775,000.00	8,875,000.00	-		100,000.00
<b>Current Account</b>					
Ahluwalia Contracts (India) Ltd.	223403 Dr.	-	-		-
	223403 Cr.	-	-		-
<b>(b) Subsidiaries of Holding Co</b>					
<b>Loan Given To</b>					
Dipesh Mining Pvt Ltd	231,758.00		-		231,758.00
Jiwanjyoti Traders Pvt Ltd	785,173.00		-		785,173.00
Paramount Dealcomm Pvt Ltd	421,503.50		-		421,503.50
Splendor Distributors Pvt Ltd	535,173.00		-		535,173.00
<b>(d) Key Management Personnel:</b>					
Mr. Vinay Paul					
Mr. Vikas Ahluwalia					
<b>(e) Parties Where Control Exists:</b>					
<b>Holding Co: Ahluwalia Contracts (India) Ltd</b>					
<b>Subsidiary of Holding Co:</b>					
Paramount Dealcomm Pvt Ltd					
Jiwan Jyoti Traders Pvt Ltd					
Splendor Distributors Pvt Ltd					
Dipesh Mining Pvt Ltd					
Ableon Ready Mix Concrete Pvt Ltd					
<b>13 Contingent Liabilities - Not provided for</b>			NIL		NIL
<b>Capital Contracts</b>					
Estimated value of contracts remaining to be executed on capital account and not provided for			NIL		NIL
<b>14 Managerial Remuneration</b>			NIL		NIL
<b>15 Remuneration to Auditors</b>					
As Audit Fees			12,000.00		12,000.00
			<u>12,000.00</u>		<u>12,000.00</u>
<b>16 Due to Small Scale Industrial Undertaking</b>			NIL		NIL
There are no Micro and Small Scale Business which are outstanding for more than 45 days as at 31st March 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006.					

For PremSagar Merchants Pvt Ltd

  
 ( Director )

  
 ( Director )

17 ADDITIONAL INFORMATION PURSUANT TO PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956

<b>C.I.F. Value of Imports</b>	
Of Capital goods	NIL
Of Capital goods (In-Transit)	NIL
<b>Expenditure in Foreign Exchange</b>	
	NIL
<b>Earnings in Foreign Currency</b>	
FOB Value of Exports	NIL
Others	NIL

The balances of Sundry Debtors, Sundry Creditors, Advances and Loans are subject to confirmation/reconciliation and adjustments if any

Place : Kolkata  
Date : 08.05.2015

For Premasagar Merchants Pvt Ltd

( Director )

( Director )

PREMSAGAR MERCHANTS PRIVATE LTD

NOTES '7' FIXED ASSETS AS AT 31.03.2015

Description of Assets	Cost As on 01.04.2014	Addition during The Year	Depreciation As on 01.04.2014	Depreciation During the Year	Depreciation As on 31.03.2015	W. D. V. As On 31.03.2015	W. D. V. As On 31.03.2014
Land (At Cost)	6,915,559.00	-	-	-	-	6,915,559.00	6,915,559.00
Capital Work In Progress Building	1,705,276.50	1,555.00	-	-	-	1,706,831.50	1,705,276.50
	8,620,835.50	1,555.00	-	-	-	8,622,390.50	8,620,835.50
Previous Year Figure	8,620,004.50	831.00	-	-	-	8,620,835.50	-

For Preamsagar Merchants Pvt Ltd



*(Signature)*  
(Director)

*(Signature)*  
(Director)

PREMSAGAR MERCHANTS PRIVATE LTD  
KB-25, 5TH FLOOR, SECTOR III  
SALT LAKE CITY, KOLKATA 700 098

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2015

PARTICULARS	2014-15 RS.	2013-14 RS.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit As Per Profit & Loss Statement	(231,364.00)	(20,600.00)
Add/(Less):		
Operating Loss Before Working capital Change	(231,364.00)	(20,600.00)
Add/(Less):		
Increase/Decrease in Net Current Assets		
Decrease /(Increase) In Loans & Advance	1,973,607.50	
Increase /(Decrease) In Current Liabilities	10,422.00	5,000.00
Cash Generated From Operation	1,752,665.50	(15,600.00)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>1,752,665.50</b>	<b>(15,600.00)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Increase)/Decrease In Share Capital	8,775,000.00	
(Increase)/Decrease In Fixed Assets	(1,555.00)	(831.00)
Cash Generated From Investing	8,773,445.00	(831.00)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of loan from others Related Party	(10,525,203.00)	(10,525,203.00)
Net Cash From Financing Activities	(10,525,203.00)	-
Net Increase/(Decrease) In Cash & Cash equivalents	907.50	(16,431.00)
Opening Cash & Cash Equivalents	28,233.49	44,664.49
Cash & Cash Equivalents At the End of year	29,140.99	28,233.49
<b>Component Of Cash &amp; cash Equivalents</b>		
Cash In Hand	2,075.00	271.00
Balance With Bank	27,065.99	27,962.49
	<b>29,140.99</b>	<b>28,233.49</b>

Notes:- 1 Cash flow statement has been prepared under the indirect method as set out in the AS 3  
2. Previous year figures have been regrouped/ reclassified wherever considered necessary.

As Per Our Separate Report of Even Date Annexed  
FOR RAKESH JHA & CO.  
Chartered Accountants  
FIRM REGN. NO.: 328480E

Place : Kolkata  
Date : 08.05.2015

*Rakesh Kumar*  
CA. RAKESH KUMAR JHA  
Proprietor  
M. NO.: 303577



For Premisagar Merchants Pvt Ltd

*[Signature]*

(Director)

*[Signature]*

(Director)