

## INDEPENDENT AUDITORS' REPORT

To,  
The Members of  
**MOTI FINVEST LIMITED**

### **REPORT ON THE STANDALONE FINANCIAL STATEMENTS**

We have audited the accompanying standalone financial statements of **MOTI FINVEST LIMITED** (the Company"), which comprise the balance sheet as at 31st March 2016, the Statement of profit and loss 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 are 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 misstatements, 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 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 evidences 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 misstatements in 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 evidences we have obtained are 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 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 of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 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 statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of accounts;
  - 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 2016 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 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 control, refer to the separate Report in "Annexure B" and
  - 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:



- a. The Company does not have any pending litigations which would impact its financial position.
- b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses. However the Company does not have any ongoing long-term contracts including derivative contracts as on the Balance sheet date.
- c. There are no such amounts appearing in the books which are required to be transferred to the Investor Education and Protection Fund by the Company.



**For C.K. Chandak & Co.  
Chartered Accountants  
FRN.326844E**

*Chandra Kumar Chandak*

**Chandra Kumar Chandak  
Proprietor  
Membership No.: 054297**

**Place: Kolkata  
Date: 28.05.2016**





## ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our report of even date to the members of **MOTI FINVEST LIMITED** on accounts of the Company for the year ended on March 31, 2016.

In our opinion and to the best of our information and according to the explanations given to us we certify that:

- (i) Based on our scrutiny of the Company's Books of Accounts and other records and according to the information and explanations received by us from the Management, we are of the opinion that the question of commenting on the maintenance of proper records of fixed assets, physical verification of fixed assets and title of fixed assets does not arise since the Company had no fixed assets as on 31.03.2016.
- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed, and they have been properly dealt with in the books of account;
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.
- (iv) In respect of the loans provided & investments made, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) The Company has not accepted any Loan during the financial year.
- (vi) Maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 was not applicable during the financial year.
- (vii) (a) The company is regular in depositing undisputed statutory dues including, income-tax, service tax, value added tax, cess and any other statutory dues to the appropriate authorities and the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned were not for a period of more than six months from the date they became payable  
  
(b) No dues of income tax, or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned.
- (viii) The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) No moneys were raised by way of initial public offer or further public offer (including debt instruments).
- (x) That no instance of any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) No Managerial Remuneration has been paid or provided during the financial year so accordingly the provisions of Clause 3 (xi) of the order are not applicable to the Company.



- (xii) The Company is not a Nidhi Company as defined under the provisions of the Companies Act 2013, and that the Nidhi Rules, 2014 were not applicable on the company.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013. And, the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence requirements under section 42 of the Companies Act, 2013 were not attracted.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him and hence the provisions of section 192 of Companies Act, 2013 were not attracted.
- (xvi) The company is a Non deposit taking Systemically not important Non Banking Financial Company and is duly registered under section 45-IA of the Reserve Bank of India Act, 1934.



**For C.K. Chandak & Co.**  
**Chartered Accountants**  
**FRN.326844E**

*Chandra Kumar Chandak*

**Chandra Kumar Chandak**  
**Proprietor**  
**Membership No.: 054297**

**Place: Kolkata**  
**Date: 28.05.2016**





## Annexure "B"

### REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of **M/S MOTI FINVEST LIMITED ("the Company")** as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **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 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.

#### **AUDITORS' 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, issued by ICAI and deemed to be prescribed 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 Company's 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 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 authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized 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.



**For C.K. Chandak & Co.  
Chartered Accountants  
FRN.326844E**

*Chandra Kumar Chandak*

**Chandra Kumar Chandak  
Proprietor  
Membership No.: 054297**

**Place: Kolkata  
Date: 28.05.2016**

*(Chandra Kumar Chandak)  
Proprietor  
Membership No. 054297*

*Place: Kolkata  
Date: 28/05/2016*



**MOTI FINVEST LIMITED**

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

Particulars	Note No.	As at 31.03.2016	As at 31.03.2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	11427980	11427980
(b) Reserves and Surplus	2	21506440	21494721
<b>(2) Current Liabilities</b>			
(a) Trade Payables	3	9162	350000
(b) Other current liabilities	4	27799	25549
(c) Short Term Provisions	5	130700	132069
<b>Total</b>		<b>33102080</b>	<b>33430319</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(b) Non-current investments	6	5572000	2600000
<b>(2) Current assets</b>			
(a) Inventories	7	1031162	948,500
(b) Trade receivables	8	99006	1,000,000
(c) Cash and cash equivalents	9	1901356	2142499
(d) Short-term loans and advances	10	24498557	26739320
<b>Total</b>		<b>33102080</b>	<b>33430319</b>

**Significant accounting policies**

**Notes on Accounts**

**1-16**

*The accompanying notes form an integral part of the financial statements*

**In terms of our attached report of even date.**

**For C.K.CHANDAK & CO.  
CHARTERED ACCOUNTANTS  
FRN : 326844E**

*Chandra*

**(Chandra Kumar Chandak)  
Proprietor  
Membership No.054297**

**Place : Kolkata  
Date: 28/05/2016**

*Prabhat Marda*  
**(Prabhat Kumar Marda)  
Director  
DIN : 00421048**

*Nidhi Sinha*  
**(Nidhi Sinha)  
Director  
DIN : 06393406**





