

ANNUAL REPORT

2015-16

M V COTSPIN LIMITED

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32, CHOWRINGHEE ROAD

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Kolkata-700071

M V COTSPIN LIMITED

23rd Annual Report

2015-16

BOARD OF DIRECTORS

Vivek Agarwala
Vinay Dalmia
Sumit Uthra
Ravikesh Kumar Sinha

AUDITORS

Jyoti Agarwal.
874, Lake Town, Block – A, 2nd Floor
Kolkata -700089
Chartered Accountants

BANKERS

Oriental Bank of Commerce

REGISTERED OFFICE

32, Chowringhee Road, "OM" Towers, Kolkata- 700 071

REGISTRATION AND SHARE TRANSFER AGENT

A B S Consultant Private Limited
4, B. B. D. Bagh(East), Kolkata-700 001

M V COTSPIN LIMITED

N O T I C E

Notice is hereby given that an **TWENTY THIRD ANNUAL GENERAL MEETING** of **M/s. M V COTSPIN LIMITED** will be held at its Registered Office at 32, Chowringhee Road, "OM Tower", Kolkata-700071 on Friday, the 30th day of Sept' 2016 at 11-00 A.M. to transact the following business :-

AS AN ORDINARY BUSINESS :

1. To receive, consider and adopt the Directors' Report and Audited Statement of Annual Accounts for the year ended 31st March, 2016 .
2. To re-appoint Mr. Vinay Dalmia, Director who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of MS. Jyoti Agarwal (Membership No.300899), Chartered Accountants, Kolkata, as the Auditors of the Company by passing the following as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to Section 139 of Companies Act, 2013, and the Rules made thereunder, the Company hereby ratifies the appointment of MS. Jyoti Agarwal (Membership No.300899) Chartered Accountants, Kolkata, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company to be held during the year 2017 be and is hereby ratified at such remuneration. as may mutually agreed between the Board of Directors and the Auditors.”

By Order of the Board

Sd/-

VIVEK AGARWAL

DIRECTOR

DIN- 00595954

Date:- 2nd day of Sept, 2016

Regd.Office

32, Chowringhee Road,

“OM Tower”

Kolkata - 700 071

NOTES :

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. The instrument appointing a proxy should however be deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting.

Corporate members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of Companies Act, 2013 ("the Act") are requested to send to the Company a certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at the Meeting.

The Share Transfer Books and Register of Members of the Company will remain closed from 26th Sept to 30th Sept'2016.

By order of the Board

For M V Cotspin Limited

Sd/-

(Vivek Agarwal)

Managing Director

Date: 02.09.2016

Place: Kolkata

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting 23rd Annual Report together with the Audited Statement of accounts for the year ended 31st March, 2016.

1. FINANCIAL RESULTS

(Rs. In Lacs)

Particulars	STANDALONE	
	for the year ended <u>31st March 2016</u>	for the year ended <u>31st March 2015</u>
Financial Results		
Sales & Other Income	55.97	137.13
Profit/(Loss) before interest, depreciation & Taxation	0.11	6.65
Less: Interest	-	-
Less: Depreciation	-	-
Profit/(Loss) before Tax	0.11	6.65
Less: Provision for Taxation	-	-
Profit/Loss after Tax but before Extra Ordinary Items	0.11	6.65
Add/(Less) Other Items	-	-
Profit/Loss after Tax and Extra Ordinary Items	0.11	6.65
Balance of Profit/Loss A/c as per Last Accounts	(344.36)	(351.01)
Balance Carried to Balance Sheet	(344.25)	(344.36)

2. REVIEW OF OPERATIONS

During the current year of operations, your company has registered revenue of Rs. 55,87,900/- as against revenue of Rs. 1,37,13,405/- during the previous financial year. Your company posted Profit after Taxes of Rs. 10,939/- as against profit of Rs. 6,64,732/- during the previous financial year. Your Directors are continuously looking forward for future growth avenues.

3. DIVIDEND

In view of future requirement of funds, your directors has not recommend any dividend for the financial year 2015-2016.

4. TRANSFER TO RESERVES:

Due to setting off of accumulated loss of earlier year, no amount has been transferred to reserves.

5. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any subsidiary, joint venture and associated Companies.

6. MATERIAL CHANGE IN NATURE OF BUSINESS

No material change and commitment have occurred from the date of close to the financial year till the date of this report, which affect the financial position of the companies.

7. RISK MANAGEMENT

A detailed review of business risk and the corporation's plan to mitigate them is presented to the Board. The Corporation has been taking steps to mitigate foreseeable business risks. Business risk evaluation and management is an ongoing and continuous process within the Company and regularly updated to the Board.

8. INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company has proper and adequate system of internal control which is commensurate with the size and the nature of business, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposal and commercial transaction are authorized, recorded and reported correctly. The internal control is supplemented by an extensive program of internal and external audits. The company accords greatest importance to the security of its information assets and has the requisite security controls and checks. Adequate storage and back-up system is maintained to ensure security and availability of data at all times.

9. DIRECTORS

As per the Companies Act 2013, Mr. Vinay Dalmia (DIN- 01219851) Director of the company will retire by rotation at the ensuing AGM and being eligible, has offered himself for reappointment.

10. PUBLIC DEPOSIT

During the year under review, your company did not accept any deposit within the meaning of provision of Chapter V- Acceptance of Deposits by Companies of the Companies Act 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

11. WHISTLE BLOWER POLICY /VIGIL MECHANISM

The Company has a Whistle Blower Policy, which enables its directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy and provides safeguards against victimisation of director(s)/employee(s), who avail of the mechanism.

12. CORPORATE SOCIAL RESPONSIBILITY

No CSR policy has been adopted by the company in the current financial year as the same is not applicable to the company.

13. HUMAN RESOURCES

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficient empowered and such work environment propels them to achieve higher level of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

14. DIRECTORS RESPONSIBILITY STATEMENT

- a) in the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively ; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

15. PARTICULARS OF EMPLOYEES

Since, the company does not fall under the prescribed limit of the aforesaid provisions under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, this requirement is not applicable to the Company.

16. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Since there was no unpaid/ unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

17. NO OF BOARD MEETINGS

Six meetings of the Board of Directors were held during the year

18. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The information on conservation of energy, technology absorption stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure 'B'** to the Board's Report. The information on foreign exchange earnings and outgo is furnished in the "Notes to the Financial Statements" under note no. Q which forms part of this Annual Report.

19. AUDITORS:

Statutory Auditors:

Ms Jyoti Agarwal, Chartered Accountant, (Membership No 300899), Statutory Auditor of the Company, has been appointed as statutory auditor of the company at the Annual General Meeting held on 30.09.2014 for a period of five years subject to ratification by members at every consequent Annual General Meeting. Therefore, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM.

Secretarial Audit:

Pursuant to the provision of Section 204 of the Companies act 2013 and the companies (Appointment and Remuneration personnel) Rules 2014, the Company has appointed Ms. Arti Bhadani, practicing Company Secretary as its Secretarial Auditors to undertake the Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report certified by our Secretarial Auditors, in specified form MR-3 is annexed herewith and forms part of this Report.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT 2013:

Details of Loans, Guarantees and investments covered under the provision of section 186 of the Companies' Act 2013 are given in the Notes to the financial statements

21. EXTRACT OF ANNUAL RETURN

The details of the extract of the Annual Return in form MGT-9 is annexed herewith and forms part of this report

22. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the company, confirming that they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

23. QUALIFICATION OR RESERVATION OR ADVERSE MARK IN STATUTORY AUDIT REPORT

There is no such qualification or reservation or adverse remark reported by the Statutory Auditors of the Company

24. RELATED PARTY TRANSACTION

The Company has not entered into any transaction with the related parties during the year. Thus the provisions of Section 188 of the Companies Act, 2013 is not attracted.

25. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention , prohibition and redressal of sexual harassment at workplace in line with the provision of the Sexual Harassment of Woman at workplace (Prevention , Prohibition and redressal)Act, 2013 and the Rules thereunder for prevention and Redressal of Complaints of sexual harassment at workplace . The Company has not received any complaint on sexual Harassment during the financial year 2015-16

26. SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATION

There was no instance of any material order passed by the regulators or court or tribunals impacting the going concern status of the company.

27. ACKNOWLEDGEMENT

Your directors take this opportunity to offer thanks to government and semi government organizations and bankers for their continued supports and valuable assistance at all times

The Director also wish to place on record their deep sense of appreciation for the devoted services rendered by the officers, employees and workers of the Company.

Place: Kolkata

For and on behalf of the Board

Dated: 02.09.2016

SD/-
(VIVEK AGARWALA)
(Director)
DIN- 00595954

ANNEXURE TO THE DIRECTORS' REPORT
ANNEXURE-1

CONSERVATION OF ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE OUTGO:

Particulars of conservation of energy and technology absorption in terms of Section 134 (3) (m) of the Companies Act, 2013 forming part of the Directors' Report for the year ended on 31st March, 2016.

A. CONSERVATION OF ENERGY

The Company is making all round efforts for the Conservation of energy, which will reduce consumption of energy in per unit of production. No specific investment is contemplated for reduction of consumption of energy.

FORM —A
FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT OF CONSERVATION OF ENERGY

Power and Fuel Consumption	Current Year	Previous Year
1. Electricity		
(a) Purchased Unit	-	-
Total Cost	-	-
Rate /Unit	-	-
(b) Own Generation		
(i) Through Diesel Generator Units	-	-
Unit per ltrs of Diesel Cost/Unit	-	-
(ii) Through Steam Turbine/Generator Unit	-	-
(iii) Unit per ltrs of Fuel	-	-
2. Coal		

Quantity	-	-
Total Cost	-	-
Average Cost	-	-
3. Furnace Oil		
Quantity	-	-
Total Cost	-	-
Average Cost	-	-
4. Others/Internal Generation	-	-

B. DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

Efforts made in technology absorption - as per Form - B given below

FORM NO. B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION ADAPTATION AND INNOVATION, RESEARCH AND DEVELOPMENT(R & D)

Research and Development (R & D)

During the year under review no significant research work has been undertaken by the Company.

Benefits Derived

Not Applicable

Technology absorption, adaptation and innovation effort

During the year under review no significant technology absorption, adaptation and innovation effort has been undertaken by the Company

Benefits

Not Applicable

Foreign Exchange Earnings and Outgo :

	Current Year	Previous Year
Foreign Exchange outgo	-	-
Foreign Exchange Earned	-	-

Place: Kolkata

For and on behalf of the Board
SD/-

Dated: 02.09.2016

(VIVEK AGARWALA)
(Director)
DIN- 00595954

Individuals									
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) =(A)(1)+(A)(2)	-	3,405,300	3,405,300	100	-	3,405,300	3,405,300	100	NA
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	2,50,000	2,50,000	5.30	-	2,50,000	2,50,000	5.30	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	2,50,000	2,50,000	5.30	-	2,50,000	2,50,000	5.30	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian		69,300	69,300	1.47		69,300	69,300	1.47	
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals		9,90,900	9,90,900	21.01		9,90,900	9,90,900	21.01	
c) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2):-	-	10,59,500	10,59,500	22.48	-	10,59,500	10,59,500	22.48	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	13,10,200	13,10,200	27.78	-	13,10,200	13,10,200	27.78	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	47,15,500	47,15,500	100	-	47,15,500	47,15,500	100	NA

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the Year			% change in share holding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Vivek Agarwal	290400	6.16	-	290400	6.16	-	NA
2.	Mahesh Chandra Agarwal	50000	1.06	-	50000	1.06	-	NA
3.	Vandita Dalmia	50000	1.06	-	50000	1.06	-	NA
4.	Shashi Kumar	10000	0.212	-	10000	0.212	-	NA
5.	Vns Projects Pvt. Ltd.	1235000	26.19	-	1235000	26.19	-	NA
6.	M V Credit Capital Pvt Ltd	1769900	37.53	-	1769900	37.53	-	NA

(iii) Change in Promoters' Shareholding (please specify, if there is no change)-No Change**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year	-	-	-	-
2.	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease(e.g. allotment /transfer / bonus / sweat equity etc):	-	-	-	-
3.	At the End of the year (or on the date of separation, if Separated during the year)	-	-	-	-

(v). Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
VIVEK AGARWALA					
1.	At the beginning of the year	2,90,400	6.16		
2.	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	-	-	-	-
3.	At the end of the year	2,90,400	6.16	2,90,400	6.16

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
• Addition				
• Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount Rs.
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors • Fee for attending board/committee meetings • Commission • Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2.	Other Non-Executive Directors	-	-	-	-	-

	<ul style="list-style-type: none"> •Fee for attending board/committee meetings •Commission •Others, please specify 					
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C.REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	CFO	Total
1	Gross salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A.COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-



ARTI BHADANI
PRACTISING COMPANY SECRETARY

24, Bon Behari Bose Road
Howrah-711101
E-mail Id:artibhadani1@gmail.com
Mobile no -9748836498

Form No. MR – 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2015]

To,
The Members,
M V COTSPIN LIMITED.
32 Chowringhee Road Om
Tower Kolkata -700071

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M V COTSPIN LIMITED.** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M V COTSPIN LIMITED** ("the Company") for the financial year ended on 31st March 2016, according to the provisions of:
 2. Applicable Acts and Regulation:
 - I. The Companies Act, 2013 (the Act) and the rules made thereunder subject to the following:
 - (a) has filed Report on Annual General Meeting to be filed in MGT-15 for the year 2014-2015.
 - (b) No women Director has been appointed in the Company.
 - (c) The Company has not Complied with the provisions of Section 203, Section 138, 179(3) of the Companies Act, 2013.

- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (g) The Company has not complied with the requirements under the Equity Listing Agreements entered into with Bombay Stock Exchange Calcutta Stock Exchange.

And

- (h) The Memorandum and Article of Association.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings and which became effective from 01.07.2015.
- (ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange and Calcutta Stock Exchange.
- (iii) During the period under review the Company has not fully complied with the provisions of Listing Agreements, mentioned above.

I further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- d) Committees as per the provisions of Companies Act, 2013 and SEBI are not duly constituted during the period.

I further report that, the Compliance by the Company of applicable financial laws like Direct and Indirect Tax laws and maintenance of financial records and books of accounts has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professional.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. Further I report that there were no instances of:

- i) Public / Right / Preferential issue of shares / debentures / sweat equity, etc.
- ii) Redemption / buy-back of securities.
- iii) Merger / amalgamation / reconstruction, etc.
- iv) Foreign technical collaborations

Date: 02.09.2016
Place: Kolkata

SD/-
Arti Bhadani
Practising Company Secretary
CP NO-14482

To The Members
M V COTSPIN LIMITED

My report of even date is to be read along with this supplementary testimony.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, the company had followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.,
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd/-

Date: 02.09.2016
Place: Kolkata

Arti Bhadani
Practising Company Secretary
CP NO-14482

MV COTSPIN LIMITED

*32, Chowringhee Road,
OM Towers
Kolkata - 700 071*

Audited Accounts for the year ended 31st March, 2016

JYOTI AGARWAL

Chartered Accountant

874, Lake Town, Block - A, 2nd Floor

Kolkata - 700089

E-mail: agarwaljyoti0079@gmail.com



Jyoti Agarwal

Chartered Accountant
874, Lake Town, Block – A, 2nd Floor,
Kolkata -700089
Phone- 98830 39077
E- Mail: agarwaljyoti0079@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of

MV COTSPIN LIMITED

Report on the Financial Statements

I have audited the accompanying financial statements of **MV COTSPIN LIMITED** (CIN: L18101WB1993PLC060752) ("the Company"), which comprise the Balance Sheet as at March 31, 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 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 of these standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit.

I 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.

I conducted my audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that I 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 evaluating 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the standalone financial statements.

Opinion

In my opinion and to the best of my information and according to the explanations given to me, 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, 2016;
- b) in the case of the Profit and Loss Account, of the loss for the year ended on that date;
- c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal & Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 issued by the Company Law Board in terms of Section 143(11) of the Companies Act, 2013 I give in the **Annexure A**, a statement on the matters specified in paragraphs 3 & 4 of the said Order.
2. As required by section 143(3) of the Act, I report that:
 - a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit;
 - b) in my opinion proper books of account as required by law have been kept by the Company so far as appears from my examination of those books
 - c) the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in my opinion, 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 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms Section 164(2) of the Act;
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me:
 - 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;
 - ii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - g) As required by section 143(3) of the Act, we give in the **Annexure B**, a statement on the matters regarding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Place: Kolkata

Dated:02.09.2016

Sd/-
(Jyoti Agarwal)
Chartered Accountant
Membership No.300899

The Annexure A referred to in paragraph 1 of my Report of even date to the members of MV COTSPIN LIMITED on the accounts of the company for the year ended 31st March, 2016.

On the basis of such checks as I considered appropriate and according to the information and explanation given to me during the course of my audit, I report that:

- i. There are no fixed assets in the Company, hence Clause (i) (a), (i) (b) & (i) (c) are not applicable to the Company.
- ii. According to the explanations and information given to me, the Management has physically verified the inventory at reasonable intervals and no material discrepancies have been noticed on physical verification.
- iii. The Company has not granted loans, secured or unsecured, to Companies, firms, Limited Liability Partnership or other parties listed in the Register maintained under Section 189 of The Companies Act, 2013, hence clause (iii)(a), (iii)(b) and (iii)(c) of the said above order are not applicable to the Company.
- iv. The company has complied with the provision of section 185 and 186 of the Companies Act, 2013 regarding the loans investments, guarantees and security.
- 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 meaning of the Companies Act, 2013 hence this clause is not applicable to the Company.
- vi. In our opinion and according to the information & explanation given to us, maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013; hence clause (vi) is not applicable to the Company.
- vii. (a) According to the information and explanations given to us and the records examined by us , the Company is regular in depositing the undisputed statutory dues such as Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. There are no arrears of outstanding dues as at the last day of the financial year for the period of 6 months from the date they became payable.

(b) According to the information and explanations given to us there were no disputed amount payable in respect of statutory dues such as Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax. Cess.
- viii. The Company has not taken any loan from financial institution or bank or Government or debenture holders, hence clause (viii) is not applicable to the Company.
- ix. According to the information and explanations given to us, the company has not raised money by way of initial public offer (including debt instruments) and term loans, hence clause (ix) is not applicable to the Company.
- x. According to the information and explanations given to us, no frauds has been noticed or reported by the Company or any fraud on the Company by its officers/ employees during the year that causes the financial statements to be materially misstated.
- xi. According to the information and explanations given to us, the Company has not paid any managerial remuneration, hence clause (xi) is not applicable.
- xii. The Company is not a Nidhi Company , hence clause (xii) is not applicable to the Company.

- xiii. In my opinion all the transaction with related parties are in compliance with the Section 177 And 188 of the Companies Act, 2013 and have been disclosed in the financial statements for the year 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; hence clause (xiv) is not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with Directors or persons connected with him; hence this clause (xv) is not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence clause (xvi) is not applicable to the Company.

Place: Kolkata

Dated:02.09.2016

Sd/-

(Jyoti Agarwal)
Chartered Accountant
Membership No.300899

Annexure B to the Independent Auditor's Report of even date on the Financial Statements of MV COTSPIN LIMITED

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

I have audited the internal financial controls over financial reporting of **MV COTSPIN 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 and as per the norms issued by RBI.

Auditors' Responsibility

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I have conducted 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 I 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 my 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.

Sd/-

Place: Kolkata

Dated:02.09.2016

(Jyoti Agarwal)
Chartered Accountant
Membership No.300899

M V COTSPIN LIMITED
CIN - L18101WB1993PLC060752

Balance Sheet as at 31st March, 2016

(Amount in Rupees)

Particulars	Note No	As at 31-Mar-16	As at 31-Mar-15
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	A	4,71,55,000	4,71,55,000
(b) Reserves and Surplus	B	(2,76,83,298)	(2,76,94,237)
(2) Current Liabilities			
(a) Other current liabilities	C	7,77,574	57,03,480
Total		2,02,49,276	2,51,64,243
II.Assets			
(1) Non-Current assets			
(a) Non-Current Investments	D	19,98,000	19,98,000
(2) Current assets			
(a) Inventories	E	2,31,349	37,82,217
(b) Trade Receivables		18,00,000	18,50,000
(c) Cash and cash equivalents		64,60,786	41,76,650
(d) Short-term loans and advances		97,59,141	1,33,57,376
Total		2,02,49,276	2,51,64,243

Significant Accounting Policies

Accompanying notes forming part of financial statement are attached "A" to "Q"

In terms of our report attached

Sd/-
(Jyoti Agarwal)
Chartered Accountant

Place : Kolkata
Dated: 02.09.2016

DIRECTORS

Sd/-
(Vivek Agarwal)
DIN - 00595954

Sd/-
(Sumit Uthra)
DIN - 00389984

M V COTSPIN LIMITED

Profit and Loss Statement for the year ended 31st March, 2016

(Amount in Rupees)

Particulars	Note No	For the year ended 31-Mar-16	For the year ended 31-Mar-15
I. Revenue from Operations	F	55,87,900	1,37,13,405
II. Other Income	G	9,072	-
Total Revenue		55,96,972	1,37,13,405
III. Expenses:			
Purchase of Stock-in-Trade	H	14,24,200	1,63,42,150
Changes in inventories of finished goods, work in progress and stock in trade	I	35,50,868	(37,82,217)
Employee Benefit Expense	J	1,46,436	1,44,000
Other Expenses	K	4,64,529	3,44,740
Total Expenses		55,86,033	1,30,48,673
Profit before exceptional and extraordinary items and tax		10,939	6,64,732
Less: Extraordinary Items			
Profit on Sale of Undertaking		-	-
Profit before tax & after extraordinary items		10,939	6,64,732
Tax expense:			
(1) Current tax		-	-
Profit(Loss) from continuing operations		10,939	6,64,732
Profit/(Loss) for the year		10,939	6,64,732
Earning per equity share before extraordinary item			
(1) Basic		0.00	0.14
(2) Diluted		0.00	0.14
Earning per equity share after extraordinary item			
(1) Basic		0.00	0.14
(2) Diluted		0.00	0.14

Significant Accounting Policies

Accompanying notes forming part of financial statement are attached "A" to "Q"

In terms of our report attached

DIRECTORS

Sd/-
(Jyoti Agarwal)
Chartered Accountant

Sd/-
(Vivek Agarwal)
DIN - 00595954

Place : Kolkata
Dated: 02.09.2016

Sd/-
(Sumit Uthra)
DIN - 00389984

MV COTSPIN LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

(Amount in Rupees)

	Particulars	As	At	As	At
		31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
A.	Cash Flow from Operating Activities				
	Net Profit / (Loss) before Tax and extraordinary items		10,939		6,64,732
	Adjustments for :				
	Depreciation		-		-
	Sundry Balance Written Off / Back/ less provided earlier years		-		-
	<u>Operating Profit / (Loss)</u> <u>before Working Capital change</u>		10,939		6,64,732
	Adjustments for :				
	Inventories (Increase)		35,50,868		(37,82,217)
	Trade & other Receivables (Decrease)		50,000		9,89,865
	Loans, advances and other Current Assets (Decrease)		35,98,235		39,00,000
	Current Liabilities (Increase)		(49,25,906)		24,33,267
	Net Cash generated from operations		22,84,136		42,05,647
	<u>Net cash from operating activities</u> (A)		22,84,136		42,05,647
B.	Cash Flow from Investing Activities				
	Investment made		-		(19,98,000)
	<u>Net Cash used in Investing Activities</u> (B)		-		(19,98,000)
C.	Cash Flow from Financing Activities				
	Sundry balance w/ back		-		-
	Repayment of Borrowings		-		-
	Proceeds from Borrowings		-		-
	<u>Net Cash used in financing activities</u> (C)		-		-
	Net Increase in Cash and Cash equivalents (A+B+C)		22,84,136		22,07,647
	Cash & Cash equivalents				
	Opening Cash and Bank Balances as at 1.4.2015 (1.4.2014)		41,76,650		19,69,003
	Closing Cash and Bank Balances as at 31.3.2016 (31.3.2015)		64,60,786		41,76,650
			(22,84,136)		(22,07,647)
<p>1. The Cash Flow Statement has been prepared under the Indirect method as per Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.</p>					

In terms of our report attached

Sd/-
(Jyoti Agarwal)
Chartered Accountant

Place : Kolkata
Dated: 02.09.2016

DIRECTORS

Sd/-
(Vivek Agarwal)
DIN - 00595954

Sd/-
(Sumit Uthra)
DIN - 00389984

MV COTSPIN LIMITED

SIGNIFICANT ACCOUNTING POLICIES

1. **Basis of Accounting**

The Accounts of the company are prepared under historical cost convention using accrual basis of accounting except otherwise stated and on presumption of Going Concern concept. Accounting policies not referred to otherwise are consistent with generally accepted accounting principles.

2. **Fixed Assets**

Fixed Assets are stated at cost net of recoverable taxes, less accumulated depreciation and impairment loss if any. All cost, including financing cost attributable to the fixed assets are capitalized.

3. **Depreciation**

Fixed Assets are stated at cost net of recoverable taxes, less accumulated depreciation and impairment loss if any. All cost, including financing cost attributable to the fixed assets are capitalized.

4. **Investments**

Investment (Long term) are stated at a cost.

5. **Foreign Currency Transaction**

(i) All loans & deferred credits repayable in Foreign Currency and outstanding at the close of the year have not been converted in Indian Currency at the appropriate rate of exchange prevailing on the date of balance Sheet including the borrowings which are covered by the forward exchange contracts. Any increase or reduction in this liabilities, to the extent they relate to borrowings for financing the fixed asset, is not shown as addition to or reduction from the cost of the asset acquires out of such borrowings, and the balance have not been booked to the revenue;

(ii) Balance in the form of Current Assets and Current Liabilities in Foreign Currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss accounted during the year.

(iii) All other income or expenses in the foreign Currency, are recorded at the rate of exchange prevailing on the date s when the relevant transaction take place.

6. **Revenue Recognition**

Sales include excise duty. Sales including export accounted for on the basis of invoicing.

7. **Inventories**

Inventories have been valued as under :

a) Raw Materials	....	At Lower of Cost or realisable value
b) Finished Goods	....	“Do ”
c) Work in progress	....	“Do”
d) Consumables	....	“Do”
e) Packing Materials	....	“Do”

8. **Retirement benefits**

- a) Gratuity is being accounted for on accrual basis, however there are no employees who have put in qualified no. of years of service for being eligible to gratuity.
- b) No provision has been made for leave liability in respect of employees (amount unascertained) and the same, as per consistent practices is accounted for on cash basis.
- c) Contribution to provident and pension funds are accounted for on accrual basis.

9. **Taxation :**

Current Tax is determined on the basis of the amount of tax payable under the Income Tax Act, 1961, if any. Deferred Tax liabilities / Assets subject to consideration of prudence are recognized and carried forward only when there is reasonable certainty that sufficient taxable Income will be available against which such Deferred Tax Liabilities / Assets can be adjusted. The Company has not recognized Deferred Tax Assets (Net) as per Accounting Standard-22, as there is no certainty of future profits.

M V COTSPIN LTD

(Amount in Rupees)

<u>SHAREHOLDER'S FUND</u>	As	At	As	At
<u>NOTE "A"</u>	31-Mar-16		31-Mar-15	
<u>(i) SHARE CAPITAL</u>				
Authorised : 8500000 Equity Shares of Rs. 10/- each (Previous year 8500000 Equity Shares of Rs 10/- each)	8,50,00,000		8,50,00,000	
Issued, Subscribed & Paid up : 4715500 (Previous year 4715500) Equity Shares of Rs 10/- each Fully Paid up in Cash	4,71,55,000		4,71,55,000	
	4,71,55,000		4,71,55,000	

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each share is eligible for one vote per share. The dividend proposed by the Board of Director subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts in proportion of their shareholdings.

(ii) Details of shares held by each shareholder holding more than 5% shares:

Name of shareholders	31.03.2016		31.03.2015	
	Number of shares held	% holding	Number of shares held	% holding
Vivek Agarwal	290400	6.16	290400	6.16
VNS Projects Pvt. Ltd.	1235000	26.19	1235000	26.19
MV Credit Capital Pvt. Ltd.	1769900	37.53	1769900	37.53
Rajasthan State Industrial Development Co. Ltd.	250000	5.30	250000	5.30

NOTE "B"

<u>RESERVES & SURPLUS</u>			
Capital Redemption Reserve	A	67,42,000	67,42,000
<u>Profit & Loss Account</u>			
Opening Balance		(3,44,36,237)	(3,51,00,969)
Add: Additions during the year		10,939	6,64,732
Closing Balance	B	(3,44,25,298)	(3,44,36,237)
	A+B	(2,76,83,298)	(2,76,94,237)

M V COTSPIN LTD

NOTE "C"

(Amount in Rupees)

<u>CURRENT LIABILITIES</u>		
Trade Payable	5,93,994	55,36,144
Other liabilities	1,83,580	1,67,336
	7,77,574	57,03,480

NOTE "D"

(Amount in Rupees)

<u>Non-Current Investments</u>	<u>As at 31.03.2016</u>		<u>As at 31.03.2015</u>		
<u>Long term Investments</u>					
<u>Investment in Associate Companies</u>					
<u>In Equity Shares - Unquoted</u>	<u>Face Val</u>	<u>Qty.</u>	<u>Cost</u>	<u>Qty.</u>	<u>Cost</u>
Soni Exports Pvt. Ltd.	100	370	19,98,000	370	19,98,000
			19,98,000		19,98,000

NOTE "E"

<u>CURRENT ASSETS</u>		
<u>(A) INVENTORIES</u>	2016	2015
Finished Goods (As taken valued & Certified by Management)	2,31,349	37,82,217
	2,31,349	37,82,217
<u>(B) TRADE RECEIVABLES</u>		
(Unsecured, Considered Good)		
Outstanding for a period of		
-- Exceeding Six Months	-	-
-- Other Debts	18,00,000	18,50,000
	18,00,000	18,50,000
<u>(C) CASH & CASH EQUIVALENTS</u>		
(a) Cash on Hand (as certified by Management)	45,60,367	39,16,627
(b) Balance with Bank		
-in Current Accounts	9,00,418	2,60,022
-in Fixed Deposit Accounts	10,00,000	-
	64,60,786	41,76,650
<u>(D) SHORT TERM LOANS & ADVANCES</u>		
(a) Advances Recoverable in Cash or in kind or for value to be received	95,65,452	1,31,63,687
(b) Tax Deducted at source	1,93,689	1,93,689
	97,59,141	1,33,57,376

a) In the opinion of the Board, all current assets, loans and advances and other receivables are approximately of the value stated, if realised in the ordinary course of business.

M V COTSPIN LTD

	For the year ended	For the year ended
NOTE "F"	31-Mar-16	31-Mar-15
Revenue from Operations		
Sales	55,87,900	1,37,13,405
	55,87,900	1,37,13,405
Details of Sales		
Cotton Yarn in Hank	55,87,900	1,37,13,405
	55,87,900	1,37,13,405

(Amount in Rupees)

NOTE "G"	31-Mar-16	31-Mar-15
Other Income		
Interest on Fixed Deposits	9,072	-
	9,072	-

(Amount in Rupees)

NOTE "H"	31-Mar-16	31-Mar-15
Purchase of Stock-in-Trade		
Purchases	14,24,200	1,63,42,150
	14,24,200	1,63,42,150
Details of Purchases		
Cotton Yarn in Hank	14,24,200	1,63,42,150
	14,24,200	1,63,42,150

NOTE "I"

Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2016	2015
Opening Stock		
Finished Goods	37,82,217	-
	37,82,217	-
Closing Stock		
Finished Goods	2,31,349	37,82,217
	2,31,349	37,82,217
	35,50,868	(37,82,217)

NOTE "J"

Employee Benefit Expense	2016	2015
Salary	1,44,000	1,44,000
Staff Welfare Expenses	2,436	-
	1,46,436	1,44,000

M V COTSPIN LTD

(Amount in Rupees)

	For the year ended	For the year ended
<u>NOTE "K"</u>	31-Mar-16	31-Mar-15
<u>Other Expenses</u>		
Accounting Charges	30,000	30,000
Bank Charges	4,797	4,036
Electricity Charges	42,293	-
Filing Fees	2,400	3,600
Freight Outward	-	1,055
Legal & Professional Charges	60,000	1,79,227
Rates & Taxes	77,645	13,482
General Expenses	20,891	5,140
Office Maintenance Expenses	36,000	-
Rent paid	96,000	48,000
Statutory Audit Fees	22,500	15,000
Tax Audit Fees	-	10,000
Telephone Expenses	8,807	-
Travelling & Conveyance Expenses	63,196	35,200
	4,64,529	3,44,740

Note "L"

Estimated amount of Contract remaining to be executed on Capital Account and not provided for ... Nil (Previous Year – Rs. Nil)

Note "M"

Contingent Liabilities not provided for

<u>Current Year (Rs)</u>	<u>Previous Year (Rs)</u>
Bill Discounted Nil	Nil

Note "N"

No Provision for taxation has been made as there are no taxable profits either as per computation of taxable income or under book profit due to brought forward losses.

M V COTSPIN LTD

Note "O"

In Compliance with the Accounting Standard - 18 issued by the Institute of Chartered Accountants of India (ICAI) and as certified by the management the disclosure regarding related party is as follows:

Key Managerial Personnel

- a) Vivek
Agarwal

Note "P"

Earning Per Share as per Accounting Standard 20

Description	31.03.2016	31.03.2015
	(Rs.)	(Rs.)
Profit before Tax & extraordinary items	10,939	6,64,732
Profit after Tax & extraordinary items	10,939	6,64,732
Number of Equity Shares outstanding (weighted)	47,15,500	47,15,500
Nominal Value of Shares	10	10
Earning Per Shares (before extraordinary item)	0.00	0.14
Earning Per Shares (after extraordinary item)	0.00	0.14

Note "Q"

Earning \ Expenditure in Foreign Currency:

a) Earning (FOB value)	<u>Current Year</u>	<u>Previous Year</u>
Export of cotton yarn	NIL	NIL
b) Expenditure	<u>Current Year</u>	<u>Previous Year</u>
Spare Parts (C.I.F Value)	NIL	NIL
Travelling Expenses	NIL	NIL

In terms of our report attached

DIRECTORS

Sd/-
(Jyoti Agarwal)
Chartered Accountant

Place : Kolkata
Dated: 02.09.2016

Sd/-
(Vivek Agarwal)
DIN - 00595954

Sd/-
(Sumit Uthra)
DIN - 00389984