

**26<sup>th</sup> ANNUAL REPORT**

**2018-19**

**M V COTSPIN LTD**

# Book Post

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**MV COTSPIN LIMITED**

32, CHOWRINGHEE ROAD

OM TOWER, 8<sup>th</sup> Floor, Room No-805

Kolkata-700071

# **M V COTSPIN LTD**

## **26<sup>th</sup> Annual Report**

**2018-19**

### **BOARD OF DIRECTORS**

Vivek Agarwala  
Vinay Dalmia  
Smita Agarwal  
Sumit Uthra  
Ravikesh Kumar Sinha

### **KEY MANAGERIAL PERSONNEL**

CS Abhishek Shaw

### **AUDITORS**

P. K. Ajitsaria & Co.  
Chartered Accountants  
White Towers, 115, College Street, Kolkata-700012

### **BANKERS**

Oriental Bank of Commerce

### **AUDIT COMMITTEES**

Mr. Sumit Uthra-Chairman  
Mr. Ravikesh Kumar Sinha-Member  
Mr. Vivek Agarwala-Member

### **NOMINATION AND REMUNERATION COMMITTEES**

Mr. Sumit Uthra-Chairman  
Mr. Ravikesh Kumar Sinha-Member  
Mr. Vivek Agarwala-Member

**REGISTERED OFFICE**

32, Chowringhee Road, "OM" Towers, 8<sup>th</sup> Floor, Room No-805

Kolkata- 700 071

Contact No-03322263780,

E-mail Id:compliance.mvcl@gmail.com

Website: [www.mvcotspinltd.com](http://www.mvcotspinltd.com)

**REGISTRATION AND SHARE TRANSFER AGENT**

A B S Consultant Private Limited

4, B. B. D. Bagh(East), Stephen House, Room No 99

6<sup>th</sup> Floor

Kolkata- 700 001

**M V COTSPIN LIMITED**

**N O T I C E**

Notice is hereby given that **TWENTY SIXTH ANNUAL GENERAL MEETING** of M/s. **M V COTSPIN LIMITED** will be held at its Registered Office at 32, Chowringhee Road, "OM Tower", Room No-805, Floor-8<sup>th</sup>, Kolkata-700071 on Monday, the 10<sup>th</sup> day of June 2019 at 11-00 A.M. to transact the following business :-

**AS AN ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Statement of Annual Accounts and Directors' Report for the year ended 31<sup>st</sup> March, 2019 .
2. To appoint Mr. Vivek Agarwala, Director who retires by rotation and being eligible, offers himself for re-appointment.
3. **Appointment of Statutory Auditors of the Company**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED that** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. P.K. Ajitsaria & Co., Chartered Accountants (Firm Registration No. 317046E), be and is hereby appointed as Auditors of the Company from the conclusion of this Annual General Meeting ("AGM") till the conclusion of the thirty first AGM to be held in the year 2024, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Auditors.

**AS A SPECIAL BUSINESS:**

4. **Appointment of Mr. Vinay Dalmia (DIN-01219851) as a Whole Time Director of the Company**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT,** in accordance with the provisions of Sections 196 and 197 of the Companies Act, 2013, or any amendment thereto or modification thereof, this Meeting hereby approves the appointment of Mr. Vinay Dalmia (DIN: 01219851) as a Wholetime Director of the Company for a period of five years with immediate effect, on such remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting."

**"RESOLVED FURTHER that** the Board of Directors of the Company be and is hereby authorized, to file, sign, verify and execute all such e-forms, papers or documents, as may be required and do all such acts, deeds, matters and things as may be necessary and incidental for giving effect to this Resolution."

## 5. Appointment of Ms. Vijaya Kumari as CFO of the Company:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

**“RESOLVED THAT** pursuant to the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions, if any, of Companies Act, 2013, as amended or re-enacted from time to time, Ms. Vijaya Kumari (PAN: CTHPK0771J) , be and hereby appointed as “Chief Financial Officer of the Company” (“CFO”) on the Terms and Conditions including the terms of remuneration as recommended by the Nomination and Remuneration Committee with the liberty to the Board of Directors to alter or vary the same as may be agreed to between the Board of Directors and Ms. Vijaya Kumari .”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take all such steps and actions for the purposes of making all such filings as may be required in relation to the aforesaid appointment and further to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution”

By Order of the Board

**Abhishek Shaw**  
Company Secretary

**Date:- 17th Day of May , 2019**  
**Place: Kolkata**

### NOTES :

- 1) The Share Transfer Books and Register of Members of the Company will remain closed from 4<sup>th</sup> June to 10<sup>th</sup> June 2019.
- 2) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of AGM. A Proxy Form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolutions/ authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

- 3) The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos 4, and 5 of the accompanying Notice, is annexed hereto.
- 4) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
- 5) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

#### **6) Voting through electronic means**

- I In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015'), Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the ICSI, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the 26th AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 07th June, 2019 (9:00 am) and ends on 09th June, 2019 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 3<sup>rd</sup> Day of June, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. A person who is not a member as on the cut-off date should treat this Notice of the AGM for information purpose only.

VI. The details of the process and manner for remote e-voting are explained herein below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

**Details on Step 1 is mentioned below:**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the

email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com). If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to artibhadani1@gmail.com with a copy marked to compliance.mvcl@gmail.com.
  2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
  3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990. Members may also write to the Company Secretary at the email address: [compliance.mvcl@gmail.com](mailto:compliance.mvcl@gmail.com) or contact at telephone no. 033 22263780.
- VII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 3<sup>rd</sup> Day of June, 2019.
- VIII. Mrs. Arti Vyas, Practicing Company Secretary (Membership No. A38496), has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- IX. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- X. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 (forty eight) hours from the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes if any and whether the resolution has been carried or not, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XII. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.mvcotspinltd.com](http://www.mvcotspinltd.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of Results by the Chairman

or a person authorized by him in writing. The Results shall also be immediately forwarded to the BSE Limited, Mumbai.

7) All documents referred to in the accompanying Notice of the AGM shall be open for inspection without any fee at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on all working days, except Saturday, up to and including the date of the AGM of the Company.

8) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, shall be made available at the commencement of the meeting and shall remain open and accessible to the members during the continuance of the meeting.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice

**ITEM NO. 4**

The Board of Directors of the Company ("the Board") at its meeting held on May 17<sup>th</sup>, 2019 has, subject to approval of members, appointed Mr. Vinay Dalmia (DIN: 01219851) as a Wholetime Director, designated as Executive Director, for a period of 5 (five) years, on terms and conditions as recommended by Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek members' approval for the appointment of and remuneration payable to Mr. Vinay Dalmia as a Wholetime Director, designated as Executive Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of appointment of and remuneration payable to Mr. Vinay Dalmia are as under:

- (I) Basic / Consolidated Salary - Rs. 35,000/- per month
- (II) Perquisites In addition to the aforesaid Basic / Consolidated Salary Mr. Vinay Dalmia shall be entitled to perquisites like gas, electricity, water, furnishings, leave travel concession for self and family, club fees, personal accident insurance, sampling of the Company's products and services etc. in accordance with the rules of the Company, the monetary value of such perquisites being limited to 50,000/- per annum, for the purposes of which limit perquisites shall be valued as per the provisions of the Income-tax Act and the Rules thereunder, wherever applicable, and in absence of any such provision, perquisites shall be valued at actual cost.

**ITEM NO.5**

In view of the provision of Section 203 of Companies Act, 2013 and rules there, it has become necessary for the Company to appoint a CFO in order to comply with the provisions of Companies Act, 2013.

The Board has proposed the name of Ms. Vijaya Kumari, She is a Commerce Graduate and is having more than 5 years of experience in Finance, Taxation, Accounts and other related financial arena.

She is associated with the Company since last 6 months. Ms. Vijaya Kumari does not hold any shares in the Company. The Board recommends the resolutions as mentioned in Item Nos. 5 of the Notice for approval of members.

None of the persons specified in Section 102 of the Companies Act, 2013, namely the Promoters, Directors, Key Managerial Personnel, Relatives of Promoters, Directors and Key Managerial Personnel or the entities comprising the interest of Promoters, Directors or Key Managerial Personnel, are concerned or interested in the above resolutions financially or otherwise.

By Order of the Board

**Date:- 17th day of May, 2019**  
**Place: Kolkata**

**Abhishek Shaw**  
**Company Secretary**

**ANNEXURE TO THE NOTICE**

**Details of Directors seeking appointment / reappointment at the 26th Annual General Meeting in pursuance of provisions of the Companies Act, 2013 & Regulation 36 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015**

Name of the Director	VIVEK AGARWALA	VINAY DALMIA
Date of Birth	10-04-1967	08-03-1962
Nationality	Indian	Indian
Date of Appointment on the Board	17-11-1993	28-09-2006
Qualification	B.com & ICWA	B.com
List of Directorship in other companies as on May 17, 2019	M.V.Credit Capital Pvt.Ltd Purushottam Investments Pvt.Ltd A.M.Computech Private Limited Mahalaya Infocom Private Limited Soni Exports Private Limited Vns Marketing Pvt Ltd	-



Company at 11.00 A.M. ,and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

**Ordinary Business:**

- 1 Adoption of the Directors' Report and Audited Statement of Annual Accounts for the year ended 31st March, 2019.
2. Appointment Mr. Vivek Agarwala, who retires by rotation.
- 3 Appointment of M/s. P.K. Ajitsaria & Co., Chartered Accountants as Statutory Auditors of the Company.

**Special Business:**

- 4 Appointment of Mr. Vinay Dalmia as a Whole Time Director of the Company.
5. Appointment of Ms. Vijaya Kumari as a CFO of the Company.

Signed this ..... day of..... 2019

Signature of Shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.**

## **M V COTSPIN LTD.**

32, Chowringhee Road,  
Om Tower, 8<sup>th</sup> Floor, Room No-805  
Kolkata - 700071,

CIN : L18101WB1993PLC060752,

Contact No-033-22263780

Email ID : compliance.mvcl@gmail.com

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### **ATTENDANCE SLIP**

#### **26<sup>th</sup> Annual General Meeting**

**CIN: L18101WB1993PLC060752**

**Name of the Company: M V COTSPIN LIMITED**

**Registered office: 32 Chowringhee Road, Om Tower, Room No-805, Floor-8<sup>th</sup>, Kolkata - 700071**

Regd. Folio No. \_\_\_\_\_/DP ID \_\_\_\_\_ Client ID/Ben. A/C \_\_\_\_\_

No. of shares held \_\_\_\_\_

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 26<sup>th</sup> Annual General Meeting of the Company on June, 10<sup>th</sup> Day of June 2019 at 11.00 A.M. at **32 Chowringhee Road, Om Tower, Room No-805, Floor-8<sup>th</sup>, Kolkata - 700071**

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note: Please fill this attendance slip and hand it over at the entrance of the hall.

# M V COTSPIN LIMITED

(CIN -L18101WB1993PLC060752)  
32, Chowringhee Road, Om Tower, 8<sup>th</sup> Floor,  
Room No-805  
Kolkata - 700071, Ph- 03322263780  
Email Id: compliance.mvcl@gmail.com

## DIRECTORS REPORT

**To the Members,**

Your Directors have pleasure in presenting 26<sup>th</sup> Annual Report together with the Audited Statement of accounts for the year ended 31<sup>st</sup> March, 2019.

### 1. FINANCIAL RESULTS

(Rs. In Lacs)

Particulars	STANDALONE	
	For the year ended 31 <sup>st</sup> March 2019	For the year ended 31 <sup>st</sup> March 2018
<b>Financial Results</b>		
<b>Sales &amp; Other Income</b>	1599.27	6.59
<b>Profit/(Loss) before interest, depreciation &amp; Taxation</b>	284.13	(9.74)
<b>Less: Interest</b>		-
<b>Less: Depreciation</b>	6.21	-
<b>Profit/(Loss) before Tax</b>	277.92	(9.74)
<b>Less: Deferred Tax</b>	(0.28)	-
<b>Profit/Loss after Tax but before Extra Ordinary Items</b>	278.20	(9.74)
<b>Add/(Less) Other Items</b>	-	-
<b>Profit/Loss after Tax and Extra Ordinary Items</b>	278.20	(9.74)

### 1. REVIEW OF OPERATIONS

The Company has adopted IND-AS from April 1, 2017. Financial statements have been prepared as per the IND-AS presented by Institute of Chartered Accountant of India (ICAI). During the current year of operations, your company has registered revenue of Rs. 15,92,83,984 /- as against revenue of Rs. 2,61,394/- during the previous financial year. Your company posted Profits after

Taxes of Rs.2,77,92,257/- as against loss of Rs. (9,73,654)/- during the previous financial year. Your Directors are continuously looking forward for future growth avenues.

## **2. DIVIDEND**

In view of accumulated losses, your directors have not recommended any dividend for the financial year 2018-2019.

## **3. TRANSFER TO RESERVES:**

No amount has been transferred to reserves and surplus during the year.

## **4. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

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

## **5. 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.

## **6. 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.

## **7. 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.

## **8. DIRECTORS**

As per the Companies Act 2013, Mr. Vivek Agarwala (DIN- 00595954) Director of the company will retire by rotation at the ensuing AGM and being eligible, has offered himself for reappointment.

Mr. Vinay Dalmia (DIN- 01219851), Mr. Vivek Agarwala (DIN- 00595954), Mr. Sumit Uthra (DIN- 00389984), Mr. Ravikesh Kumar Sinha (DIN- 06573624) and Mrs. Smita Agarwal are the Directors and Key Managerial Personnel of the company.

Mrs. Smita Agarwal has been appointed as a Woman Director on the Board w.e.f 01.06.2018.

## **9. KEY MANAGERIAL PERSONNEL**

Mr. Abhishek Shaw was appointed as the Company Secretary of the Company pursuant to Section 203 of the Companies Act, 2013 w.e.f. 01.06.2018.

## **10. PUBLIC DEPOSIT**

During the year under review, your company has not accepted 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 victimization 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, 2019, 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, 2019 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**

Eleven Meeting of the Board of Directors were held during the year.

## **18. AUDIT COMMITTEE**

The Audit Committee Comprises of Mr. Sumit Uthra-Independent Director (DIN-00389984) and chairman of the Committee, Mr. Ravikesh Kumar Sinha (DIN-06573624) and Mr. Vivek Agarwala (DIN-00595954) as other members.

## **19. NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee of the Company identifies the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal. The Committee also carries out evaluation of every Director's performance. The Committee has formulated the criteria for determining qualifications, positive attributes, independence of the Director send recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

## **20. 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 and marked as "**Annexure-A**"

## **21. COVERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

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 Foreign exchange earnings amount to Rs. NIL and foreign Exchange Outgo amount to Rs. 9,31,06,833/- during the year.

## **22. AUDITORS:**

### **Statutory Auditors:**

M/s. P.K. Ajitsaria & Co., Chartered Accountants (Firm Registration No. 317046E), Statutory Auditor of the Company, has been appointed as Statutory Auditor of the company at the Extra-Ordinary General Meeting held on 28.12.2018 to fill the casual vacancy caused by the resignation of Mrs. Jyoti Agarwal, Chartered Accountants, (Membership No. 300899) for a period of one year i.e. until the conclusion of the 26<sup>th</sup> Annual General Meeting of the Company.

In terms of the provision of Section 139(2) of the Companies Act, 2013 (the Act') and rules made there under, the Company is required to appoint new Auditors in place of the retiring Auditors.

Accordingly, the Board of Directors on the recommendation of the Audit Committee has recommended to the members appointment of M/s. P.K. Ajitsaria & Co., Chartered Accountants (Firm Registration No. 317046E) as Auditors of the Company for a term of five (5) years commencing from the conclusion of 26th AGM till the conclusion of the 31st AGM to be held in the year 2024, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Auditors.

**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 Mrs. Arti Vyas, practicing Company Secretary as its Secretarial Auditors to undertake the Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report certified by our Secretarial Auditors, in specified form MR-3 is annexed herewith and forms part of this Report.

**23. 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

**24. 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.

**25. 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.

## **26. RELATED PARTY TRANSACTION**

The Company has entered into any transaction with the related parties during the year. The Details of Transaction has been mentioned in **Note no. 24** of the Financial Statement.

All related party transactions that were entered into by the Company during the financial year under review were generally on arms' length basis and in the ordinary course of business. All related party transactions are placed before the meeting(s) of Audit Committee for its approval.

## **27. 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 2018-19.

## **28. DISCLOSURE OF RATIO OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL, ETC.**

As required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Statement of Disclosure of Remuneration and such other details as prescribed therein are given in **Annexure-B**, which is attached hereto and forms a part of the Directors' Report.

## **29. 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.

## **30. MANITENANCE OF COST RECORDS U/S 148 OF THE COMPANIES ACT, 2013**

The Provisions of Section 148 (1) pertaining to the maintenance of Cost Records is not applicable to our Company.

### **31. 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 of Directors**

**Dated: 17.05.2019**

**Vinay Dalmia  
Director  
DIN-01219851**

**ANNEXURE - A TO THE DIRECTORS' REPORT:**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31<sup>st</sup> March, 2019

of **M V COTSPIN LTD.**

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

S.NO.	PARTICULARS	REMARKS
i.	CIN	L18101WB1993PLC060752
ii.	Registration Date	17/11/1993
iii.	Name of the Company	M V COTSPIN LTD.
iv.	Category/Sub-Category of the Company	Category- Company limited by shares Sub-category-Indian Non-Government Company
v.	Address of the Registered office and contact details	32,CHOWRINGHEE ROAD OM TOWER, 8th FLOOR, ROOM NO- 805, KOLKATA-700071 Telephone No :- 033-22263780 compliance.mvcl@gmail.com
vi.	Whether listed Company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	ABS Consultant Pvt Ltd, Stephen House, Room No-99, 6th floor, 4, B.B.D Bag (East), Kolkata-700001, Phone No. 033-22301043, E-mail Id: absconsultant99@gmail.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products /services	NIC Code of the Product/ service	% to total turnover of the Company
1	Wholesale of wood in the rough and products of primary processing of wood	46631	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

S.NO	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
1.	NIL	N/A	N/A	N/A	N/A

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year (%)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a)	4,02,600	2,88,200	6,90,800	14.65	4,02,600	2,88,200	6,90,800	14.65	NA

Individual/HUF									
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	10,01,900	20,03,000	3,004,900	63.72	10,01,900	20,03,000	3,004,900	63.72	NA
(e) Banks / FI									
(f) Any Other ....									
<b>Sub-total (A) (1):-</b>	<b>14,04,500</b>	<b>22,91,200</b>	<b>36,95,700</b>	<b>78.37</b>	<b>14,04,500</b>	<b>22,91,200</b>	<b>36,95,700</b>	<b>78.37</b>	<b>NA</b>
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other ....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>14,04,500</b>	<b>22,91,200</b>	<b>36,95,700</b>	<b>78.37</b>	<b>14,04,500</b>	<b>22,91,200</b>	<b>36,95,700</b>	<b>78.37</b>	<b>NA</b>
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	2,50,000	2,50,000	5.30	-	2,50,000	2,50,000	5.30	NA
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>2,50,000</b>	<b>2,50,000</b>	<b>5.30</b>	<b>-</b>	<b>2,50,000</b>	<b>2,50,000</b>	<b>5.30</b>	<b>NA</b>
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	8400	57,900	66,300	1.41	8400	57,900	66,300	1.41	NA
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	2,01,700	4,98,100	6,99,800	14.84	2,04,800	4,95,000	6,99,800	14.84	
c) Others(NRI)	1,000	2,700	3700	0.08	1,000	2,700	3700	0.08	-
<b>Sub-Total</b>	<b>2,11,100</b>	<b>5,58,700</b>	<b>7,69,800</b>	<b>16.32</b>	<b>2,14,200</b>	<b>5,55,600</b>	<b>7,69,800</b>	<b>16.32</b>	<b>-</b>

(B)(2):-									
Total Public Shareholding (B)=(B)(1)+(B)(2)	2,11,100	8,08,700	10,19,800	21.62	2,14,200	8,05,600	10,19,800	21.62	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	16,15,600	30,99,900	47,15,500	100	16,18,700	30,96,800	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	220400	4.67	-	220400	4.67	-	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	0.21	-	10000	0.21	-	NA
5	Vns Projects LLP	1235000	26.19	-	1235000	26.19	-	NA
6	M V Credit Capital Pvt Ltd	1769900	37.53	-	1769900	37.53	-	NA
7	Mahesh Chandra Agarwal (HUF)	20000	0.42	-	20000	0.42	-	NA
8	Smita Agarwal	40200	0.85	-	40200	0.85	-	NA
9	Amrit Agarwal	190200	4.03	-	190200	4.03	-	NA
10	Vivek Agarwal (HUF)	110000	2.33	-	110000	2.33	-	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	<b>RAJASTHAN STATE INDUSTRIAL DEVELOPMENT &amp; I CORP</b>				
	At the beginning of the year	2,50,000	5.30	2,50,000	5.30
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease(e.g. allotment /transfer / bonus / sweat	-	-	-	-

	equity etc):				
	At the End of the year ( or on the date of separation, if Separated during the year)	2,50,000	5.30	2,50,000	5.30
<b>2</b>	<b>MANISH KUMAR AGARWAL</b>				
	At the beginning of the year	42,000	0.89	42,000	0.89
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease(e.g. allotment /transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if Separated during the year)	42,000	0.89	42,000	0.89
<b>3</b>	<b>TFC FINCONS PVT LTD</b>				
	At the beginning of the year	39,500	0.84	39,500	0.84
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease(e.g. allotment /transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if Separated during the year)	39,500	0.84	39,500	0.84
<b>4</b>	<b>NILESHKUMAR HAZARIMAL SHAH</b>				
	At the beginning of the year	35,000	0.74	35,000	0.74
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease(e.g. allotment /transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if Separated during the year)	35,000	0.74	35,000	0.74
<b>5</b>	<b>HAZARIMAL PUMJALAL SHAH</b>				
	At the beginning of the year	30,500	0.65	30,500	0.65
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease(e.g. allotment /transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if Separated during the year)	30,500	0.65	30,500	0.65
<b>6</b>	<b>MANISH KUMAR</b>				
	At the beginning of the year	20,000	0.42	20,000	0.42
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease(e.g. allotment /transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date	20,000	0.42	20,000	0.42

	of separation, if Separated during the year)				
<b>7</b>	<b>BHANWAR LALL SARDA</b>				
	At the beginning of the year	18,900	0.40	18,900	0.40
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease(e.g. allotment /transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if Separated during the year)	18,900	0.40	18,900	0.40
<b>8</b>	<b>MASTER UDIT KUMAR (MINOR)</b>				
	At the beginning of the year	18,800	0.40	18,800	0.40
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease(e.g. allotment /transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if Separated during the year)	18,800	0.40	18,800	0.40
<b>9</b>	<b>SAJAN KUMAR AGARWAL</b>				
	At the beginning of the year	17,200	0.36	17,200	0.36
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease(e.g. allotment /transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if Separated during the year)	17,200	0.36	17,200	0.36
<b>10</b>	<b>JAY KARAN BACHHAWAT</b>				
	At the beginning of the year	17,000	0.36	17,000	0.36
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease(e.g. allotment /transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year ( or on the date of separation, if Separated during the year)	17,000	0.36	17,000	0.36

(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
1.	<b>VIVEK AGARWALA</b>				
	At the beginning of the year	2,20,400	4.67	-	-
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	2,20,400	4.67	2,20,400	4.67

**V. INDEBTEDNESS**

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

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
• Addition	18,12,617	1,02,74,238	-	1,20,86,855
• Reduction	-	-		
Net Change	18,12,617	1,02,74,238	-	1,20,86,855
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	18,12,617	1,02,74,238	-	1,20,86,855
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	18,12,617	1,02,74,238	-	1,20,86,855

**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 •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)
<b>A.COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**ANNEXURE TO THE DIRECTORS' REPORT  
ANNEXURE-B**

**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, 2019.

**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**

<b>Power and Fuel Consumption</b>	<b>Current Year</b>	<b>Previous Year</b>
<b>1. Electricity</b>		
(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	-	-
<b>2. Coal</b>		
Quantity	-	-
Total Cost	-	-
Average Cost	-	-
<b>3. Furnace Oil</b>		
Quantity	-	-
Total Cost	-	-
Average Cost	-	-
<b>4. Others/Internal Generation</b>	-	-

**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	9,31,06,833/- (Purchase of Materials	-
Foreign Exchange Earned	-	-

**Place: Kolkata**

For and on behalf of the Board of Directors

**Dated: 17.05.2019**

**VINAY DALMIA**

**Director**

**Din-01219851**

**DETAILS OF REMUNERATION**

**Details pertaining to remuneration as required under section 197(12) read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

i. The percentage increase in remuneration of each Director and Company Secretary during the Financial Year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

SL. No	Name of Director/KMP	Designation	Remuneration of Director/KMP for the Financial Year 2018-19 (In Rs.)	% increase in Remuneration in the Financial Year 2018-19	Ratio of Remuneration of each Director to median remuneration	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Vivek Agarwala	Executive Director	NIL	NIL		NA
2.	Smita Agarwal	Director	NIL	NIL		
3.	Vinay Dalmia	Non-Executive Director	NIL	NIL		
4.	Abhishek Shaw	Company Secretary	1,10,000	NIL		

- ii. The Median remuneration of the employee of the Company during the financial year was Rs. 94,280/-.
- iii. In the Financial Year, there was increase in the median remuneration of employees.
- iv. There were 8 Permanent employees on the rolls of the Company as on March'2019.
- v. Relationship between average increase in remuneration and company performance. There was no increase in the remuneration
- vi. Comparison of Remuneration of Key Managerial Personnel(s) against the performance of the Company-NA
- vii. a.) Variation in the market capitalization of the Company- The Market capitalization rate is Nil as the company has not traded any shares.  
b) price earning ratio-Nil
- viii. There was no variable component of remuneration availed by the directors which is based on the recommendations of the Nomination and Remuneration Committee as per Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

ix. The ratio of remuneration of the highest paid director to that of the employee who are not directors but receive remuneration in excess of the highest paid directors during the year  
-NA

and

x. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, key Managerial personnel and other Employees.

## **General Shareholders Information**

### **1. Annual General Meeting, Date And Time & Venue**

Monday, the 10<sup>th</sup> Day of June, 2019 at 11.00 A.M., 32 Chowringhee Road Om Tower, 8<sup>th</sup> Floor, Room No-805 Kolkata -700071

### **2. Financial Year**

01<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019

### **3. Book Closure Notice:**

4<sup>th</sup> Day of June 2019 to 10<sup>th</sup> Day of June 2019

### **4. CIN-L18101WB1993PLC060752**

### **5. ISIN No- INE586D01014**

### **6. STOCK CODE-531286**

### **7. Listing on Stock Exchange**

#### **Distribution Schedule as on 31<sup>st</sup> March 2019**

<b>No. of Shares</b>	<b>Number of shareholder s</b>	<b>% to total Holders</b>	<b>Numbers of shares</b>
01 - 500	152	36.89	61300
501 - 1000	158	38.35	131900
1001 - 2000	40	9.71	65700
2001 - 3000	11	2.67	29300
3001 - 4000	6	1.46	21000
4001 - 5000	3	0.73	14600
5001 - 10000	17	4.13	136800
10001 - 50000	19	4.61	479400
50001 - 100000	NIL	NIL	NIL
100000 to above	6	1.46	3775500

## 8. Market Price date

Due to Suspension for trading in company's share for the last few years, there is no available market price/Data

## 9. General Body Meeting of Last three financial years.

Financial Year	Details of Location	Date	Time
2015-16	32 Chowringhee Road Om Tower, 8 <sup>th</sup> Floor, Room No-805 Kolkata -700071	30 <sup>th</sup> Sept 2016	11.00 A.M
2016-17	32 Chowringhee Road Om Tower, 8 <sup>th</sup> Floor, Room No-805 Kolkata -700071	29 <sup>h</sup> Sept 2017	11:00 A.M.
2017-18	32 Chowringhee Road Om Tower, 8 <sup>th</sup> Floor, Room No-805 Kolkata -700071	29 <sup>th</sup> Sept 2018	11:00 A.M.

## 10. Share Transfer System

The Company's RTA transfers the shares within 15 days of receipt of request, subject to documents being valid and complete in all respects. Dematerialization is done within 15 days of receipt of request along with the shares through the Depository Participant of the shareholder.

## 11. Services of Documents through electronic Mode

As a part of Green Initiatives, the members who wish to receive the notice/documents through email, may kindly inform their address to the company as its email-ID i.e., [compliance.mvcl@gmail.com](mailto:compliance.mvcl@gmail.com)

## 12. Nomination

Individuals shareholders holdings shares singly or jointly in physical form can nominate a persons in whose name the shares shall be transferable in the event of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants with the depository Participant as per the bye laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company Registers & Share Transfer Agent.

## 13. Dematerialisation of Shares & liquidity

The Company has entered into agreements with both National security Depository Services (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option dematerialize their shares with either of the Depositories.

#### 14. (i) Shareholding Pattern

The Shareholding pattern (Equity Shares) of the Companies is as follows:

<b>Sl.No</b>	<b>Particulars of Shareholder</b>	<b>No. of shares held</b>	<b>% of Shareholding</b>
1.	Promoters & Promoters Group	36,95,700	78.37
2.	Financial Institution , Banks	2,50,000	5.30
3.	Others/ Indian public	76,98,00	16.33

#### (ii) Shareholding Profile as on 31st March 2019

<b>Mode of Holding</b>	<b>No. of Shares</b>	<b>% of Total Issued Capital</b>
Physical	30,96,800	65.67
NSDL	14,91,500	31.63
CDSL	1,27,200	2.7

#### 15. Outstanding GDR/Warrant and conversion Dates and likely impact on Equity shares:

We have no GDRs/ADRs or any commercial instrument.

#### 16. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company is not carrying on any Commodity Business and has not undertaken any hedging activities.

#### 17. Dividend

The company has not proposed or declared any dividend during the year.

#### 18. Address for correspondence

Regd. office: 32 Chowringhee Road, Om Tower Kolkata – 700071, 8<sup>th</sup> Floor, Room No-805

E- mail ID of the company :compliance.mvcl@gmail.com

Telephone Number (033) 22263780

Website:www.mvcotspinltd.com

**For and on behalf of the Board**

Place: Kolkata

Dated:17<sup>th</sup> May 2019

**(Vinay Dalmia)**  
**Director**  
**Din-01219851**

Form No. MR - 3  
**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019**

[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/s. 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 31<sup>st</sup> March 2019, 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/s. **M V COTSPIN LIMITED** ("the Company") for the financial year ended on 31<sup>st</sup> March 2019, 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 2017-2018.
      - (b) The Company has not Complied with the provisions of Section 203, Section 138 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; (Not Applicable as the Company has not made any substantial acquisition of Shares and Takeover during the period under review)

(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; (Not Applicable as the Company has not issued any further share capital during the period under review).

(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; (Not Applicable as there was no reportable event during the period under review)

(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.

- (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 complied with the provisions of Listing Agreements, mentioned above. The Company has been Suspended by the Bombay Stock Exchange.

**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. No changes has been made in the composition of the Board of Directors during the period under review.
- 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) All the decisions of the Board were carried out requisite majority.
- d) Committees as per the provisions of Companies Act, 2013 and SEBI are 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: 13.05.2019**

**Place: Kolkata**

**Arti Vyas**

**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.

**Date: 13.05.2019**

**Place: Kolkata**

**Arti Vyas**

**Practising Company Secretary**

**CP NO-14482**

**INDEPENDENT AUDITOR'S REPORT**

To the Members of

**MV COTSPIN LIMITED**

**Report on the Financial Statements****Opinion**

We have audited the standalone financial statements of M/S M V COTSPIN LIMITED (CIN: L18101WB1993PLC060752) (“the Company”), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss (including the Comprehensive Income), statement of Changes in Equity and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information .

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 March 31, 2019, and profit/loss, the statement of changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibility under those Standards is further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Management Responsibility for the standalone financial statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. That Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **Report on Other Legal & 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 Companies Act, 2013, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 my examination of those books
- c) The Balance Sheet, Statement of Profit & Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, aforesaid standalone financial statements comply with the Indian 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate Report in "**Annexure B**"
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Kolkata  
Dated: 17th Day of May, 2019

**For P. K. Ajitsaria & Co.**  
**Chartered Accountants**  
*Firm Regn. No. 317046E*

**(Pawan Kr. Ajitsaria)**  
**Partner**  
*Membership No. 53109*

**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 31<sup>st</sup> March, 2019.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- i. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- ii. According to the explanations and information given to us, 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 our 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: 17th Day of May, 2019

**For P. K. Ajitsaria & Co.**  
**Chartered Accountants**  
*Firm Regn. No. 317046E*

**(Pawan Kr. Ajitsaria)**  
**Partner**  
*Membership No. 53109*

## **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")**

We have audited the internal financial controls over financial reporting of **MV COTSPIN LIMITED** ("the Company") as of March 31, 2019 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**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. We 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 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 judgment, 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, 2019, 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.

Place: Kolkata

Dated: 17th Day of May, 2019

**For P. K. Ajitsaria & Co.**  
**Chartered Accountants**

*Firm Regn. No. 317046E*

**(Pawan Kr. Ajitsaria)**  
**Partner**

*Membership No. 53109*

**M V COTSPIN LIMITED**

CIN - L18101WB1993PLC060752

**Balance Sheet as at 31st March, 2019**

(Amount in Rupees)

Particulars	Note No	(Amount in Rupees)	
		As at 31-Mar-19	As at 31-Mar-18
<b>I. ASSETS</b>			
<b><u>Non Current Assets</u></b>			
(a) Property, Plant and Equipment	2	46,86,108	-
(b) Investment Property	3	9,15,190	-
(c) Financial Assets			
(i) Investments	4	19,98,000	19,98,000
(d) Deferred Tax Assets (net)	5	27,821	-
(e) Other Non Current Financial Assets	6	1,37,00,000	10,00,000
<b><u>Current Assets</u></b>			
(a) Inventories	7	2,47,56,786	15,75,646
(b) Financial Assets	8		
(i) Trade Receivables		3,08,47,393	-
(ii) Cash and Cash Equivalents		5,97,604	16,60,351
(iii) Bank balances other than Cash and cash equivalents		63,00,000	55,00,000
(iv) Loans		5,52,801	5,10,051
(c) Other Current Assets	9	8,83,868	64,35,154
<b>Total Assets</b>		<b>8,52,65,571</b>	<b>1,86,79,202</b>
<b>II. Equity and Liabilities</b>			
<b><u>Equity</u></b>			
(a) Equity Share Capital	10	4,71,55,000	4,71,55,000
(b) Other Equity	11	(21,42,771)	(2,99,62,849)
<b><u>Liabilities</u></b>			
<b><u>Non-Current Liabilities</u></b>			
(a) Financial Liabilities	12		
(i) Borrowings		1,16,39,558	-
<b><u>Current Liabilities</u></b>			
(a) Financial Liabilities	13		
(i) Borrowings		4,47,297	-
(ii) Trade Payables		25,45,827	26,431
(b) Other Current Liabilities	14	2,56,20,660	14,60,620
<b>Total</b>		<b>8,52,65,571</b>	<b>1,86,79,202</b>

Significant Accounting Policies Note 1

Accompanying notes forming part of financial statement are attached "1" to "27"

In terms of our report attached

For P.K Ajitsaria & Co.  
Chartered Accountants

(Pawan Kr. Ajitsaria)  
Partner

Place : Kolkata

Dated : 17th Day of May, 2019

**Company Secretary**

( Abhishek Shaw )  
PAN - BKEPS6709K

**DIRECTORS**

(Vivek Agarwal)  
DIN - 00595954

(Vinay Dalmia)  
DIN - 01219851

**M V COTSPIN LIMITED**

**Profit and Loss Statement for the year ended 31st March, 2019**

(Amount in Rupees)

Particulars	Note No	For the year ended 31-Mar-19	For the year ended 31-Mar-18
<b>I. Revenue from Operations</b>	<b>15</b>	15,92,83,984	2,61,394
<b>II. Other Income</b>	<b>16</b>	6,43,306	3,97,864
<b>Total Revenue</b>		<b>15,99,27,290</b>	<b>6,59,258</b>
<b>III. Expenses:</b>			
Purchase of traded goods	<b>17</b>	9,89,08,477	-
Change in inventories of finished goods, work-in-progress and traded goods	<b>18</b>	-2,31,81,140	1,64,911
Employee Benefit Expense	<b>19</b>	18,45,567	8,14,815
Finance Cost	<b>20</b>	8,09,424	-
Depreciation	<b>2</b>	6,21,010	-
Other Expenses	<b>21</b>	5,31,31,695	6,53,184
<b>Total Expenses</b>		<b>13,21,35,033</b>	<b>16,32,910</b>
Profit before exceptional items and tax		2,77,92,257	(9,73,652)
Exceptional Items			
Less: Extraordinary Items		-	-
Profit/ (Loss) before tax & after extraordinary items		2,77,92,257	(9,73,652)
Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		(27,821)	
Profit(Loss) from continuing operations		2,78,20,078	(9,73,652)
Earning per equity share before extraordinary item	<b>26</b>		
(1) Basic		5.90	(0.21)
(2) Diluted		5.90	(0.21)
Earning per equity share after extraordinary item	<b>26</b>		
(1) Basic		5.90	(0.21)
(2) Diluted		5.90	(0.21)

Significant Accounting Policies Note 1

Accompanying notes forming part of financial statement are attached "1" to "27"

In terms of our report attached

**For P.K Ajitsaria & Co.**  
**Chartered Accountants**

**(Pawan Kr. Ajitsaria)**  
**Partner**

Place : Kolkata  
Dated : 17th Day of May, 2019

**Company Secretary**

**( Abhishek Shaw )**  
PAN - BKEPS6709K

**DIRECTORS**

**(Vivek Agarwal)**  
DIN - 00595954

**(Vinay Dalmia)**  
DIN - 01219851

**MV COTSPIN LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019**

(Amount in Rupees)

Particulars		As At 31-Mar-19	As At 31-Mar-18
A.	<b>Cash Flow from Operating Activities</b>		
	Net Profit / (Loss) before Tax and extraordinary items	2,77,92,257	(9,73,652)
	Adjustments for :		
	Depreciation	6,21,010	-
	Interest Paid	8,05,424	-
	Interest Received	(6,40,156)	-
	<u>Operating Profit / (Loss) before Working Capital change</u>	2,85,78,535	(9,73,652)
	Adjustments for :		
	Inventories (Decrease)	(2,31,81,140)	1,64,911
	Trade & other Receivables (Decrease)	(3,08,47,393)	-
	Loans, advances and other Current Assets (Increase)	55,36,236	(64,256)
	Trade Payables (Increase)	25,19,396	-
	Current Liabilities (Increase)	51,89,877	(96,503)
	Provisions (Increase)	37,76,459	-
	Net Cash generated from operations	(84,28,031)	(9,69,500)
	Less : Income Tax Paid / Refund	(27,700)	(2,137)
	<u>Net cash from operating activities</u>	(A) (84,55,731)	(9,71,637)
B.	<b>Cash Flow from Investing Activities</b>		
	Purchase of Fixed Assets	(53,07,118)	-
	Investment Property	(9,15,190)	-
	Interest Received	6,40,156	-
	<u>Net Cash used in Investing Activities</u>	(B) (55,82,152)	-
C.	<b>Cash Flow from Financing Activities</b>		
	Proceeds of Secured Long Term Borrowings	20,00,000	-
	Repayment of Secured Long Term Borrowings	(1,87,383)	-
	Proceeds from Unsecured Long Term Borrowings	1,07,00,000	-
	Repayments from Unsecured Long Term Borrowings	(4,25,762)	-
	Investment in Fixed Deposits	(1,35,00,000)	-
	Overdraft with Bank	1,51,93,704	6,91,020
	Interest Paid	(8,05,424)	-
	<u>Net Cash used in financing activities</u>	(C) 1,29,75,135	6,91,020
	<b>Net Increase in Cash and Cash equivalents</b>	(A+B+C) (10,62,747)	(2,80,617)
	<b>Cash &amp; Cash equivalents</b>		
	Opening Cash and Bank Balances as at 1.4.2018 (1.4.2017)	16,60,351	19,40,968
	Closing Cash and Bank Balances as at 31.3.2019 (31.3.2018)	5,97,604	16,60,351
		10,62,748	2,80,617
1. The Cash Flow Statement has been prepared under the Indirect method as per Indian Accounting Standard - 7 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.			

**In terms of our report attached**

**For P.K Ajitsaria & Co.**  
Chartered Accountants

**(Pawan Kr. Ajitsaria)**  
Partner

Place : Kolkata  
Dated : 17th Day of May, 2019

**Company Secretary**

**( Abhishek Shaw )**  
PAN - BKEPS6709K

**DIRECTORS**

**(Vivek Agarwal)**  
DIN - 00595954

**(Vinay Dalmia)**  
DIN - 01219851

**M V COTSPIN LIMITED**

CIN - L18101WB1993PLC060752

**Standalone Statement of Changes in Equity for the year ended 31st March, 2019****A. Equity Share Capital (Amount in Rupees)**

Particulars	As at 31-Mar-19
<b>Balance at April 01,2018</b>	4,71,55,000
Changes of Equity Share Capital during the year	-
<b>Balance at March 31,2019</b>	4,71,55,000

**B. Other Equity (Amount in Rupees)**

Particulars	Capital Redemption Reserve	Retained Earnings	Total
<b>Balance at April 01,2018</b>	67,42,000	(3,67,04,849)	(2,99,62,849)
Changes of Equity Share Capital during the year	-	2,78,20,078	2,78,20,078
<b>Balance at March 31,2019</b>	67,42,000	(88,84,771)	(21,42,771)

Summary of significant accounting policies (refer note 1)

Refer accompanying notes. These notes are an integral part of the financial statements.

**Company Secretary****DIRECTORS****For P.K Ajitsaria & Co.****Chartered Accountants****(Pawan Kr. Ajitsaria)****Partner**

Place : Kolkata

Dated : 17th Day of May, 2019

**( Abhishek Shaw )**

PAN - BKEPS6709K

**(Vivek Agarwal)**

DIN - 00595954

**(Vinay Dalmia)**

DIN - 01219851

## **M V COTSPIN LIMITED**

CIN - L18101WB1993PLC060752

### **Note : 1 Significant Accounting Policies**

#### **1) Company Overview**

M V Cotspin Limited (the Company) is a public limited company listed with the Bombay Stock Exchange and is primarily engaged in the business of trading in Timber.

#### **2)Basis Of Preparation**

##### **(i) Compliance with Ind As:**

The standalone financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act"), and relevant rules issued thereunder and relevant provisions of the Act. In accordance with proviso to the Rule 4A of the Companies (Accounts) Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting standards.

(ii)The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities as specified have been measured at actuarial valuation as required by relevant Ind AS.

##### **3) Basis for Classification of Assets & Liabilities:**

All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets or processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current – non current classification of assets and liabilities.

##### **4) Use Of Judgements, Estimates & Assumptions**

While preparing standalone financial statements in conformity with Ind AS, the management makes certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on our estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. The management continually evaluate these estimates and assumptions based on the most recently available information.

Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the standalone financial statements are as below:

##### **Key sources of estimation uncertainty**

##### **(i) Financial instruments;**

The Financial Instruments are measured as financial assets in terms of Ind AS 109. Considering the financial statements of earlier years and the future plans of Soni Exports Pvt Ltd, the management is of the view that fair value of the equity shares of Soni Exports Pvt Ltd would be at least equal to its carrying amount and have been valued at the same. The carrying amounts of trade receivables, trade payables, current loans, capital creditors and cash and cash equivalents, other financial liabilities are considered to be the same as their fair values, due to their short-term nature. The fair values of non-current borrowings and non current Loans are same as their amortised cost since the borrowings are interest bearing at the prevalent market rate.

##### **(ii) Valuation of inventories;**

Stock are valued on First In First Out (FIFO) basis and are stated at lower of cost or net realisable value. Closing Stock includes Custom Duty and other cost incurred in bringing the inventories to their present location and conditions. It is also inclusive of GST.

##### **(iii) Property Plant and Equipment;**

Management assesses the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual values are reasonable.

#### **5) Cash and Cash Equivalents**

For the purpose of Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with banks or financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

## 6) Financial Instruments

### Initial Recognition and Measurement – Financial Assets and Financial Liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

### Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

#### Amortised Cost:

A financial asset is classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### FVTOCI:

A financial asset is classified and measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### FVTPL:

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### Classification and Subsequent measurement: Financial Liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

#### Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

#### Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

## 7) Property Plant and Equipments

**Initial Recognition:** The initial cost of property plant and equipment comprises of purchase price, including non-refundable taxes, import duty, costs directly attributable of bringing the asset to a working condition and location for its intended use. It also included the initial estimate of costs of dismantling and removing the item and restoring the site on which it was located.

**Subsequent expenses and Recognition:** Expenditure incurred after the property, plant and equipment have been put to use such as repair and maintenance are normally charged to the Statement of Profit and Loss in the period in which such costs are incurred. Major expenditure and overhaul expenditure is capitalised if other recognition criteria is fulfilled. Subsequently Property, Plant and Equipment are carried at costs less accumulated depreciation and accumulated impairment losses if any.

**Depreciation:** Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life and is provided on a straight line basis or a written down value method. Property Plant and Equipment is depreciated at Written Down Value method.

#### 8) Investment Property

**Initial Recognition:** An investment property shall be measured initially at its cost. Transaction costs shall be included in the initial measurement. The cost of a purchased investment property comprises its purchase price and any directly attributable expenditure. Directly attributable expenditure includes, for example, professional fees for legal services, property transfer taxes and other transaction costs.

The Company recognised its Investment property initially at its cost.

**Subsequent expenses and Recognition:** Ind As 40 permits entities to choose between (a) Fair Value Model, and (b) Cost Model. After Initial recognition, an entity is required to measure all of its investment property in accordance with Ind AS 16's requirement for cost model, other than those that meet the criteria to be classified as held for sale or included in a disposal group that is classified as held for sale in accordance with Ind As 105, *Non- Current Assets held for sale and discontinued operations*.

Entities are required to measure the fair value of Investment Property, for the purpose of disclosure even though they are required to follow the cost model. An entity is encouraged, but not required, to measure the fair value of Investment Property on the basis of the valuation by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the

#### 9) Foreign Currency Transaction

The financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency. Transactions denominated in foreign currency are normally recorded at the exchange rate prevailing at the time of the transaction. Monetary items denominated in foreign currency at the year end and not covered by forward contracts are translated at the year end rates.

#### 10) Employee retirement benefits

Short term employee benefits are recognised as an expense on accrual basis.

#### 11) Revenue Recognition -- Sale of goods

Revenue from the sale of goods is recognised when significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from sale of goods is measured at the fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

#### 12) Other Income

a) Interest : Interest income is accrued in a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that assets net carrying amount on initial recognition.

b) Other Income: Other income is recognised when no significant uncertainty as to determination or realisations exists.

#### 13) Earnings per share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders and weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders and weighted average number of equity and potential equity shares outstanding during the year, except where the results would be anti-dilutive.



**M V COTSPIN LTD**

<b>NOTE "3"</b>	<b>Investment Property</b>	<b>(Amount in Rupees)</b>	
<b>Particulars</b>		<b>2019</b>	<b>2018</b>
Property (Flat)		9,15,190	-
		9,15,190	-

<b>NOTE "4"</b>	<b>Investments</b>	<b>(Amount in Rupees)</b>				
<b>Non-Current</b>	<b>Investments in equity instrument designated at cost - unquoted (fully paid)</b>	<b>As at 31.03.2019</b>		<b>As at 31.03.2018</b>		
		<b>Face Value per Unit</b>	<b>Qty.</b>	<b>Amount</b>	<b>Qty.</b>	<b>Amount</b>
	Soni Exports Pvt. Ltd.	100	370	19,98,000	370	19,98,000
				<b>19,98,000</b>		<b>19,98,000</b>

<b>NOTE "5"</b>	<b>Deferred Tax Asset</b>	<b>(Amount in Rupees)</b>		
<b>Particulars</b>		<b>Liab./ (Asset)</b>	<b>Current year</b>	<b>Liab./ (Asset)</b>
(ii) Difference between books and tax depn		-	27,821	27,821
<b>Deferred Tax Assets ( Net )</b>		-	27,821	27,821
a) Pursuant to Indian Accounting Standard (Ind AS) -12 Income Tax, the increase / (decrease) in Deferred Tax Liability for the year ended 31st March, 2019 has been debited / (credited) to Profit & Loss Account.				

<b>NOTE "6"</b>	<b>Other Non Current Financial Asset</b>	<b>(Amount in Rupees)</b>	
<b>Particulars</b>		<b>2019</b>	<b>2018</b>
Fixed Deposits (Deposits maturing in more than 12 months)		1,37,00,000	10,00,000
		1,37,00,000	10,00,000

<b>NOTE "7"</b>	<b>Inventories</b>	<b>(Amount in Rupees)</b>	
<b>Particulars</b>		<b>2019</b>	<b>2018</b>
Finished Goods (As taken valued & Certified by Management)		2,47,56,786	15,75,646
		2,47,56,786	15,75,646

**M V COTSPIN LTD**

<b>NOTE "8"</b>	<b>Financial Assets</b>	<b>(Amount in Rupees)</b>	
<b>Particulars</b>	<b>2019</b>	<b>2018</b>	
<b>(A) Trade Receivables</b>			
<i>Unsecured, considered good unless stated otherwise</i>	3,08,47,393	-	
	3,08,47,393	-	
<b>(B) Cash and Cash Equivalent</b>			
(a) Cash on Hand (as certified by Management)	2,51,259	17,13,333	
(b) Balance with Bank -in Current Accounts	3,46,345	(52,982)	
	5,97,604	16,60,351	
<b>(C) Bank balances other than Cash and cash equivalents</b>			
Fixed Deposits maturing in more than 3 months but less than 12 months	63,00,000	55,00,000	
	63,00,000	55,00,000	
<b>(D) Loans</b>			
<i>Unsecured, considered good unless stated otherwise</i>			
Loan Given	5,52,801	5,10,051	
	5,52,801	5,10,051	

<b>NOTE "9"</b>	<b>Other Current Asset</b>	<b>(Amount in Rupees)</b>	
<b>Particulars</b>	<b>2019</b>	<b>2018</b>	
<b>Advances Other Than Capital Advances</b>			
<i>Unsecured, considered good unless stated otherwise</i>			
Sundry Advances	3,50,000	61,91,516	
Other	-	101	
<u>Security Deposits</u>	1,76,000	-	
<u>Balance with Statutory Authorities</u>			
Advance Income Tax/ TDS (Net of Provision)	2,71,237	2,43,537	
<u>Prepaid Expenses</u>	86,631	-	
	8,83,868	64,35,154	

<b>NOTE "10"</b>	<b>Equity Share Capital</b>	<b>(Amount in Rupees)</b>	
<b>Particulars</b>	<b>As At 31-Mar-19</b>	<b>As At 31-Mar-18</b>	
<b>(i) EQUITY SHARE CAPITAL</b>			
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.

<b>Details of shares held by each shareholder holding more than 5% shares:</b>				
	<b>31.03.2019</b>		<b>31.03.2018</b>	
<b>Name of shareholders</b>	<b>Number of shares held</b>	<b>% holding</b>	<b>Number of shares held</b>	<b>% holding</b>
VNS Projects LLP	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

**M V COTSPIN LTD**

<b>NOTE "11"</b>	<b>Other Equity</b>	<b>(Amount in Rupees)</b>	
<b>Particulars</b>		<b>As At 31-Mar-19</b>	<b>As At 31-Mar-18</b>
Retained Earnings		(88,84,771)	(3,67,04,849)
Capital Redemption Reserve		67,42,000	67,42,000
		<b>(21,42,771)</b>	<b>(2,99,62,849)</b>

<b>NOTE "12"</b>	<b>Non- Current Financial Liabilities</b>	<b>(Amount in Rupees)</b>	
<b>Particulars</b>		<b>As At 31-Mar-19</b>	<b>As At 31-Mar-18</b>
<b>Borrowings</b>			
Secured Borrowings		13,65,320	-
Unsecured Borrowings- Body Corporate		1,02,74,238	-
		<b>1,16,39,558</b>	<b>-</b>
<i>Security for Secured Borrowings: The Car is the Security against which the Secured Borrowings is taken</i>			

<b>NOTE "13"</b>	<b>Financial Liabilities</b>	<b>(Amount in Rupees)</b>	
<b>Particulars</b>		<b>As At 31-Mar-19</b>	<b>As At 31-Mar-18</b>
<b>(i) Borrowings</b>			
Secured Borrowings- Current Maturities		4,47,297	-
		4,47,297	-
<i>Security for Secured Borrowings: The Car is the Security against which the Secured Borrowings is taken</i>			
<b>(ii) Trade Payable</b>			
		25,45,827	26,431
		25,45,827	26,431

<b>NOTE "14"</b>	<b>Other Current Liabilities</b>	<b>(Amount in Rupees)</b>	
<b>Particulars</b>		<b>As At 31-Mar-19</b>	<b>As At 31-Mar-18</b>
<b>Current Borrowings</b>			
<b>Secured</b>			
Overdraft with Bank (Secured against Fixed Deposits)		1,65,58,824	13,65,120
<b>Other Liabilities</b>			
Audit Fees Payable		50,000	25,000
Accounting Charges Payable		-	30,000
Legal and Professional Payable		59,500	-
Salary Payable		1,38,000	40,500
Advances From Debtors		26,53,861	-
Duties and taxes		23,84,016	-
Provisions on GST on Closing Stock		37,76,459	-
		<b>2,56,20,660</b>	<b>14,60,620</b>

**M V COTSPIN LTD**

**Notes to Statement of Profit and Loss**

**(Amount in Rupees)**

	For the year ended	For the year ended
<b>NOTE "15"</b>	<b>31-Mar-19</b>	<b>31-Mar-18</b>
<b>Revenue from Operations</b>		
Sales	15,92,83,984	2,61,394
	15,92,83,984	2,61,394
<b>Details of Sales</b>		
Timber	15,87,56,679	2,61,394
Others	5,27,305	-
	15,92,83,984	2,61,394

**(Amount in Rupees)**

<b>NOTE "16"</b>	<b>31-Mar-19</b>	<b>31-Mar-18</b>
<b>Other Income</b>		
Interest on Fixed Deposits	5,92,656	3,50,504
Interest on I.T Refund	3,150	2,426
Interest on Loans	47,500	44,934
	6,43,306	3,97,864

**(Amount in Rupees)**

<b>NOTE "17"</b>	<b>31-Mar-19</b>	<b>31-Mar-18</b>
<b>Purchase of Stock-in-Trade</b>		
Purchases		
- Import	9,61,76,376	-
- Local	27,32,101	-
	9,89,08,477	-
<b>Details of Purchases</b>		
Timber	9,89,08,477	-
	9,89,08,477	-

**NOTE "18"**

**(Amount in Rupees)**

<b>Changes in inventories of finished goods, work-in-progress and Stock-in-Trade</b>	<b>2019</b>	<b>2018</b>
<b>Opening Stock</b>		
Finished Goods	15,75,646	17,40,557
	15,75,646	17,40,557
<b>Closing Stock</b>		
Finished Goods	2,47,56,786	15,75,646
	2,47,56,786	15,75,646
	(2,31,81,140)	1,64,911

**NOTE "19"**

**(Amount in Rupees)**

<b>Employee Benefit Expense</b>	<b>2019</b>	<b>2018</b>
Employee Benefit Expenses	15,24,167	8,01,127
Staff Welfare Expenses	2,75,738	13,688
Ex- Gratia	45,662	-
	18,45,567	8,14,815

**M V COTSPIN LTD**

**NOTE "20"**

(Amount in Rupees)

Finance Cost	2019	2018
	Interest on Secured Loan	67,091
Interest on Unsecured Loan	2,96,724	-
Interest on O/D Account	4,41,609	-
Loan Processing Fees	4,000	-
	8,09,424	-

(Amount in Rupees)

NOTE "21"	For the year ended	For the year ended
	31-Mar-19	31-Mar-18
<b>Other Expenses</b>		
Freight and Forwarding	2,95,55,041	10,451
Custom Duty	1,18,34,419	-
Godown Expense	13,99,150	-
Loading/ Unloading and Packing Charges	5,73,859	315
Accounting Charges	-	30,000
<u>Audit Fees</u>		
- Statutory Audit Fee	30,000	25,000
- Tax Audit Fee	20,000	-
Bank Charges	1,93,124	1,442
Business Promotion	2,91,990	12,264
Electricity Charges	1,42,495	94,246
Exchange Rate Difference	(13,42,071)	-
Registration Expense	13,370	-
Filing Fees	7,400	5,400
Legal & Professional Charges	4,85,020	71,130
Motor Car Expenses	1,63,487	52,072
Rates & Taxes	17,82,297	20,700
General Expenses	1,38,870	39,626
Office Maintenance Expenses	2,36,382	66,000
Printing, Stationery & Postage	42,835	5,709
Rent paid	14,79,000	96,000
Repair & Maintenance Expenses	1,01,470	24,346
Telephone Expenses	35,920	39,223
Travelling & Conveyance Expenses	18,72,544	59,261
Late fee and Penalty	2,32,504	-
Interest on Tds/Tcs	7,105	-
Miscellaneous Expenses	55,099	-
Balances written off	3,927	-
Provision on GST on Closing Stock	37,76,459	-
	5,31,31,695	6,53,184

**Note "22"**

Contingent Liabilities not provided for

Current Year (Rs)  
Nil

Previous Year (Rs)  
Nil

**Note "23"**

Reconciliation of GST Return : Purchase, Sales, Input & Output Tax are subject to Reconciliation with GST Returns.

The reconciliation process is in progress and in the opinion of the management the impact of reconciliation, if any, on the accounts of the company will not be material.

**M V COTSPIN LTD**

**Note "24"**

**Related Party Disclosure**

In Compliance with the Ind AS-24, the disclosure regarding related party are as follows:

- a) Vivek Agarwal ( KMP )
- b) MV Credit Capital Pvt. Ltd ( Associate )
- c) VNS Project LLP (Associate)
- d) Poters Creation Pvt Ltd (Associate)
- e) Purushottam Investments Pvt Ltd (Associate)
- f) Soni Exports Pvt Ltd.(Associate)

Name	Relation	Nature of Transaction	Amount
Vivek Agarwal	KMP	Sales	16,87,845
VNS Projects LLP	Associate	Purchase Car	6,25,000
Purushottam Investment Pvt. Ltd	Associate	Loan	42,00,000
Poters Creation Pvt Ltd	Associate	Loan	55,00,000
MV Credit Capital Pvt Ltd	Associate	Loan	5,74,238

**Note "25"**

Foreign Currency Transactions	2019	2018
Purchase of Materials	9,31,06,833	-

**Note "26"**

Earning Per Share

(Amount in Rupees)

Description	31.03.2019	31.03.2018
	(Rs.)	(Rs.)
Profit before Tax & extraordinary items	2,78,20,078	(9,73,652)
Profit after Tax & extraordinary items	2,78,20,078	(9,73,652)
Number of Equity Shares outstanding (weighted)	47,15,500	47,15,500
Nominal Value of Shares	10	10
Earning Per Shares (before extraordinary item)	5.90	(0.21)
Earning Per Shares (after extraordinary item)	5.90	(0.21)

**Note "27"**

Figures in brackets represent previous year's figures. Figures for the previous year have been recasted, rearranged, regrouped wherever considered necessary.

For P.K Ajitsaria & Co.  
Chartered Accountants

(Pawan Kr. Ajitsaria)  
Partner

Place : Kolkata  
Dated : 17th Day of May, 2019

**Company Secretary**

( Abhishek Shaw )  
PAN - BKEPS6709K

**DIRECTORS**

(Vivek Agarwal)  
DIN - 00595954

(Vinay Dalmia)  
DIN - 01219851

# Route Map

