

# S. S. KOTHARI & CO.

CHARTERED ACCOUNTANTS

S.S. KOTHARI B.Com., C.T.A. (LOND), F.C.A.  
R.K. ROYCHOUDHURY B.Sc., B.Com., F.C.A.  
T.K. SENGUPTA B.Com., LL.B., F.C.A.  
S. CHAKRABORTY B.Com., F.C.A., D.I.S.A. (I.C.A.I.)

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## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF FINETUNE ENGINEERING SERVICES PVT. LTD.

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Finetune Engineering Services Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.



We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the company has in place an adequate internal control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) order, 2015 ("the order") issued by The Central Government, in terms of Sub-Section (11) of Section 143 of the Act is not applicable to the company.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.





(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, the company has adequate internal financial controls over financial reporting of the Company and the operating effectiveness of such control is adequate.

(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. As per information and explanations given to us, 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 are no amounts outstanding, required to be transferred, to the Investor Education and Protection Fund by the Company

Centre Point  
21, Old Court House Street,  
Kolkata – 700 001  
The 25<sup>th</sup> day of May, 2015

For S. S. KOTHARI & CO.  
Chartered Accountants  
Firm's Registration No: 302034E



(R.N. Bardhan)  
Partner  
Membership No: 017270



FINETUNE ENGINEERING SERVICES PVT. LTD.  
BALANCE SHEET AS AT 31st March, 2015

(Amount in Rs.)

	Notes	As at 31st March, 2015	As at 31st March, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	20,000,000	20,000,000
Reserves and Surplus	3	(17,913,607)	(17,827,824)
		<u>2,086,393</u>	<u>2,172,176</u>
<b>Non Current Liabilities</b>			
Deferred Tax Liability (Net)	7	1,199	
<b>Current Liabilities</b>			
Trade Payable	4	-	-
Other Current Liabilities	5	23,067	11,236
		<u>23,067</u>	<u>11,236</u>
<b>TOTAL</b>		<u>2,110,659</u>	<u>2,183,412</u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible assets	6	8,684	12,308
Deferred Tax Asset (Net)	7		53,626
		<u>8,684</u>	<u>65,934</u>
<b>Current Assets</b>			
Cash and Cash Equivalents	8	16,240	32,113
Short Term Loans and Advances	9	2,085,735	2,085,365
		<u>2,101,975</u>	<u>2,117,478</u>
<b>TOTAL</b>		<u>2,110,659</u>	<u>2,183,412</u>
Summary of significant accounting policies	1		

The accompanying notes form an integral part of the financial statements

As per our report of even date

For S.S.Kothari & Co  
Chartered Accountants  
FR No. 302034E

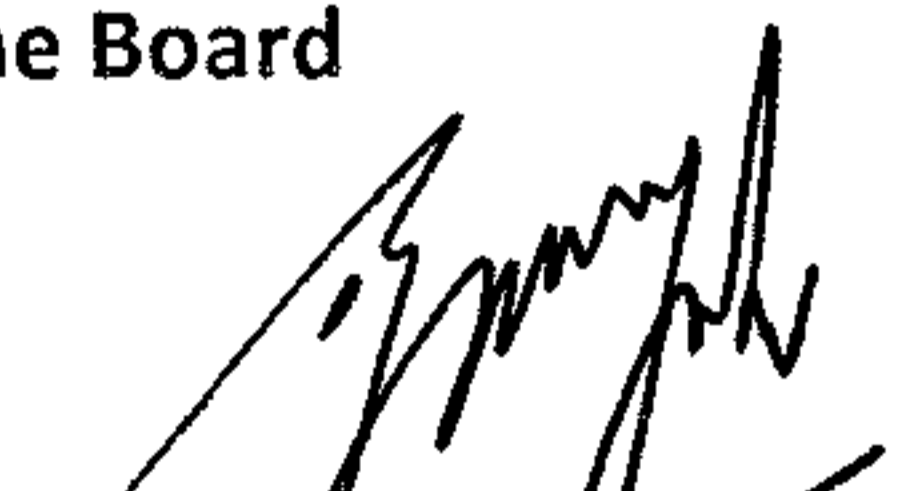
For and on Behalf of the Board



R.N.Bardhan  
Partner  
Membership No. 17270




Gautam Malik  
Director  
DIN: 02545671



B K Trisyan  
Director  
DIN: 02447595

Date : 25.05.2015  
Place : Kolkata

FINETUNE ENGINEERING SERVICES PVT.LTD.  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2015

(Amount in Rs.)

	Notes	Year Ended 31st March, 2015	Year Ended 31st March, 2014
<b>INCOME</b>			
Other Income	10	-	-
<b>TOTAL REVENUE</b>		<b>-</b>	<b>-</b>
<b>EXPENSES</b>			
Other Expenses	11	27,334	21,617
Finance cost	12	-	-
Depreciation and amortization expense	6	3,624	5,690
<b>TOTAL EXPENSES</b>		<b>30,958</b>	<b>27,307</b>
<b>PROFIT BEFORE TAX</b>		<b>(30,958)</b>	<b>(27,307)</b>
<b>Tax Expense</b>			
Current tax		-	-
Deferred tax		54,825	(485)
<b>Total Tax Expense</b>		<b>54,825</b>	<b>(485)</b>
<b>PROFIT/LOSS FROM CONTINUING OPERATIONS AFTER TAX</b>		<b>(85,783)</b>	<b>(26,822)</b>
Earnings per Equity Share (Nominal Value of Share Rs. 10) (31st March, 2014: Rs.10)			
Basic & Diluted	13	(0.04)	(0.01)

Summary of significant accounting policies 1

The accompanying notes form an integral part of the financial statements

As per our report of even date

For S.S.Kothari & Co  
Chartered Accountants  
FR No. 302034E



R.N.Bardhan  
Partner  
Membership No. 17270


Date : 25.05.2015  
Place : Kolkata



For and on Behalf of the Board



Gautam Malik  
Director  
DIN: 02545671



B K Tulsyan  
Director  
DIN: 02447595

**FINETUNE ENGINEERING SERVICES PVT. LTD.**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2015**

	Year Ended 31st March, 2015	(Amount in Rs.) Year Ended 31st March, 2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extraordinary items	(30,958)	(27,307)
Adjusted for:		
Depreciation	3,624	5,690
Income Tax	-	-
Operating Profit before working capital changes	(27,334)	(21,617)
Adjusted for:		
Trade payables & Other liabilities	11,831	(4,882)
Loans and Advances	(370)	-
Cash generated from operations	(15,873)	(26,499)
Direct Taxes paid	-	-
<b>NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES</b>	(15,873)	(26,499)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Fixed Assets	-	-
Purchases of Investments	-	-
<b>NET CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES</b>	-	-
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Loans and Advances	-	-
<b>NET CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES</b>	-	-
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	(15,873)	(26,499)
Opening Balance of Cash and Cash equivalents	32,113	58,612
Closing Balance of Cash and Cash equivalents	16,240	32,113
Summary of significant accounting policies		

The accompanying notes form an integral part of the financial statements

As per our report of even date

**For S.S.Kothari & Co**  
Chartered Accountants  
FR No. 302034E



**R.N. Bardhan**  
Partner  
Membership No. 17270




Date : 25.05.2015  
Place : Kolkata

**For and on Behalf of the Board**



**Gautam Malik**  
Director  
DIN: 02545671



**B K Fulsyan**  
Director  
DIN: 02447595



**FINETUNE ENGINEERING SERVICES PVT. LTD.**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**A. ACCOUNTING CONVENTIONS**

The financial statements have been prepared in accordance with the Mandatory Accounting Standards prescribed in the companies (Accounting Standards) Rules, 2006 read with the general circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 1956 and also the Revised Schedule VI as approved by the Act in all material respects. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

**B. USE OF ESTIMATES**

The presentations of financial statements in conformity with the Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reportable amount of assets and liabilities on the date of financial statements and the reportable amount of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

**C. FIXED ASSETS**

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

**D. DEPRECIATION**

Depreciation on fixed assets is provided under Written down Value method using useful life prescribed in Schedule II to the Companies Act, 2013.

**E. REVENUE RECOGNITION**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend is recognized when the shareholders' right to receive payments is established by the balance sheet date.

**F. FOREIGN EXCHANGE TRANSACTIONS**

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions.

Foreign currency monetary assets and liabilities remaining unsettled at the end of the year are translated at the closing exchange rate. Gains and Losses on account of exchange difference either on settlement or on translation are recognized in the relevant head of Profit & Loss Account.

Non-monetary items denominated in foreign currency are reported using exchange rate prevailing on the date of transactions.



**FINETUNE ENGINEERING SERVICES PVT. LTD.**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**

**G. EMPLOYEE BENEFITS**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

Leave Encashment liabilities are accounted for on accrual basis.

**H. EARNINGS PER SHARE**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**I. TAXATION**

**a. Current Tax**

Provision for taxation is ascertained on the basis of assessable profits computed in accordance with the provision of Income Tax Act, 1961.

**b. Deferred Tax**

- i) Deferred tax is recognized, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year and reversal of earlier years' timing differences.
- ii) Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carry forward losses which are recognized to the extent that there is virtual certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**J. PROVISIONS, CONTINGENT LIABILITES AND CONTINGENT ASSETS**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Liabilities which are material, and whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent, and disclosed by way of notes to the accounts. Contingent Assets are neither recognized nor disclosed in the financial statement.





FINETUNE ENGINEERING SERVICES PVT.LTD.  
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2015

	As At 31st March, 2015	(Amount in Rs.) As At 31st March, 2014		
<b>2. SHARE CAPITAL</b>				
<b>Authorised</b> 2,000,000 (31st March, 2013: 2,000,000 ) Equity Shares of Rs.10/- each	20,000,000	20,000,000		
<b>Issued, Subscribed &amp; Paid-Up</b> 2,000,000 (31st March, 2013: 2,000,000 ) Equity Shares of Rs.10/- each fully paid up	20,000,000 <u>20,000,000</u>	20,000,000 <u>20,000,000</u>		
(a) Rights, preference, repayability and restriction, if any, on equity shares	All general right applicable as per Companies Act			
<b>(b) Reconciliation of number of shares outstanding at the beginning and end of the year</b>				
Particulars	31st March, 2015		31st March, 2014	
	Number	Value	Number	Value
Shares issued and subscribed at the beginning of the year	2,000,000	20,000,000	2,000,000	20,000,000
Shares issued and subscribed at the end of the year	2,000,000	20,000,000	2,000,000	20,000,000
<b>(c) Details of shareholders holding more than 5% shares in the Company</b>				
Name of the Shareholder	31st March, 2015		31st March, 2014	
	Number	% holding	Number	% holding
Equity Shares of Rs.10 each fully paid up - Shristi Housing Development Pvt. Ltd.	1,999,999	100%	1,999,999	100%
<b>3. RESERVES AND SURPLUS</b>				
<b>Profit &amp; Loss Account</b> As per last Balance Sheet Add: Profit/(Loss) for the year Total	(17,827,824) (85,783) <u>(17,913,607)</u>	(17,801,002) (26,822) <u>(17,827,824)</u>		
<b>4. TRADE PAYABLES</b>				
Micro, Small & Medium Enterprises Others	- -	- -		
<b>5. OTHER CURRENT LIABILITIES</b>				
Other liabilities Statutory dues payable	23,067 -	11,236 -		
<b>7. DEFERRED TAX ASSET (NET)</b>				
<b>Deferred Tax Asset</b> Related to Preliminary Expenses Difference due to Sec. 43B of the Income Tax Act, 1961 Gross Deferred Tax Asset	- - -	55,323 - <u>55,323</u>		
<b>Deferred Tax Liability</b> Related to Fixed Assets Gross Deferred Tax Liability	1,199 1,199	1,697 1,697		
Net Deferred Tax Asset/Liability	<u>(1,199)</u>	<u>53,626</u>		
<b>8. CASH AND CASH EQUIVALENTS</b>				
<b>Cash and cash equivalents</b> Cash-in-hand Balances with scheduled banks - in Current Accounts	527 15,713 <u>16,240</u>	527 31,586 <u>32,113</u>		
<b>9. SHORT TERM LOANS AND ADVANCES</b> (Unsecured, Considered good)				
Loans and advance to related parties Other Loans and advances	2,080,361 5,374 <u>2,085,735</u>	2,080,361 5,004 <u>2,085,365</u>		



FINETUNE ENGINEERING SERVICES PVT.LTD. (FORMERLY NET ENGINEERING PRIVATE LIMITED)  
 NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2015

	Year Ended 31st March, 2015	(Amount in Rs.) Year Ended 31st March, 2014
<b>10. OTHER INCOME</b>		
Interest on Income Tax refund	-	-
	<u>-</u>	<u>-</u>
<b>11. OTHER EXPENSES</b>		
Professional Consultancy Fees	7,500	15,859
Fee & Subscription	3,583	140
Audit Fees	5,618	5,618
Misc. Expenses	10,633	-
	<u>27,334</u>	<u>21,617</u>
<b>12. FINANCE COSTS</b>		
Bank Charges	-	-
	<u>-</u>	<u>-</u>
<b>13. EARNING PER SHARE (EPS)</b>		
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Share holders	(85,783)	(26,822)
Weighted Average number of Equity Shares used as denominator for calculating EPS	2,000,000	2,000,000
Basic and Diluted EPS	(0.04)	(0.01)

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FINETUNE ENGINEERING SERVICES PVT.LTD.  
 NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2015

6. TANGIBLE ASSETS

(Amount in Rs.)

Description	Gross Block			Depreciation				Net Block		
	As at 31st March, 2014	Additions during the Year	Deductions/adjustments	As at 31st March, 2015	Up to 31st March, 2014	For the Year	Deductions/adjustments	Up to 31st March, 2015	As at 31st March, 2015	As at 31st March, 2014
Computers	65,500	-	-	65,500	58,170	2,932	-	61,102	4,398	7,330
Office Equipments	9,550	-	-	9,550	4,572	692	-	5,264	4,286	4,978
<b>TOTAL</b>	<b>75,050</b>	<b>-</b>	<b>-</b>	<b>75,050</b>	<b>62,742</b>	<b>3,624</b>	<b>-</b>	<b>66,366</b>	<b>8,684</b>	<b>12,308</b>
Previous Year	75,050	-	-	75,050	57,052	5,690	-	62,742	12,308	-

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**FINETUNE ENGINEERING SERVICES PVT. LTD.**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**

14. In the opinion of the management, the value on realization of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and provisions for all known liabilities has been made.
15. Information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
16. The Company dealt in rendering "Consultancy Services" in India. The company has considered "Consultancy Services" as only business segment for disclosure in the context of Accounting Standard (AS-17) issued by The Institute of Chartered Accountants of India and the conditions prevailing in India being uniform, no separate geographical disclosure considered necessary.
17. As per the information available with the company, there are no dues to any Micro & Small enterprise as defined in the Micro, Small and Medium Enterprises Development Act, 2006 as on 31st March, 2015. Further no interest has been paid during the year and payable as on 31st March, 2015 to such parties.
18. In the opinion of the management, the value on realization of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and provisions for all known liabilities has been made.

**19. Related Party Transaction**

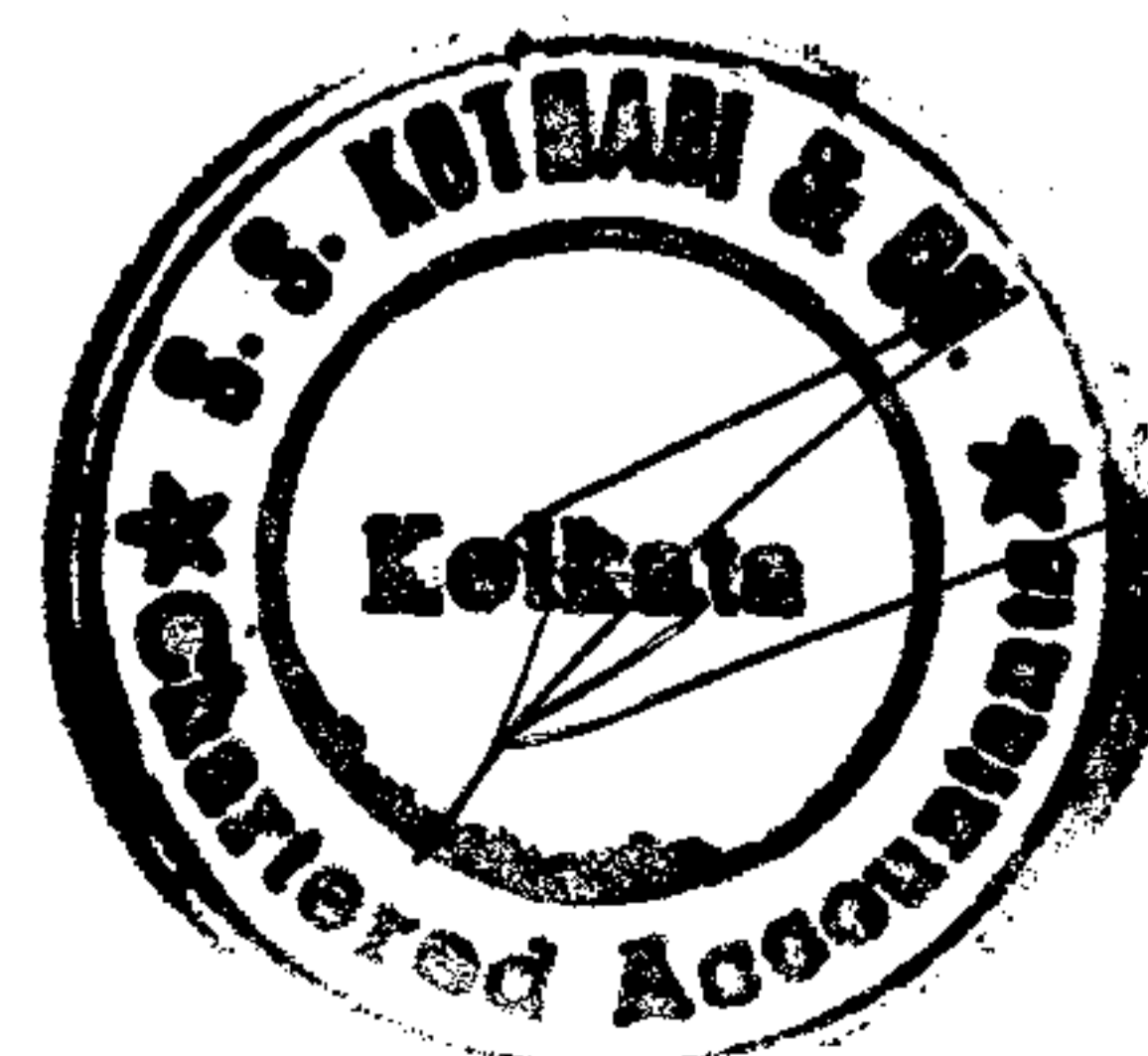
As per Accounting Standard (AS) 18 "Related Party Disclosures", the company's related parties transactions are disclosed below:

- a. **List of Related parties & relationships where control exists:** Shristi Infrastructure Development Corporation Ltd. (Holding Company)  
Shristi Housing Development Ltd. (Holding Company)

**b. Transaction with Related Parties**

Sl. No.	Name of the Party	Nature of Transaction	Amount in Rs.	
			Current Year	Previous Year
1.	Shristi Infrastructure Development Corporation Ltd.	<b>Closing Balance</b> - Loan and Advances	2,080,361/-	2,080,361/-

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**FINETUNE ENGINEERING SERVICES PVT. LTD.**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**

20. The company has reclassified the previous year's figures in accordance with the requirement applicable in the current year.

For S.S.Kothari & Co  
Chartered Accountants  
FR No. 302034E

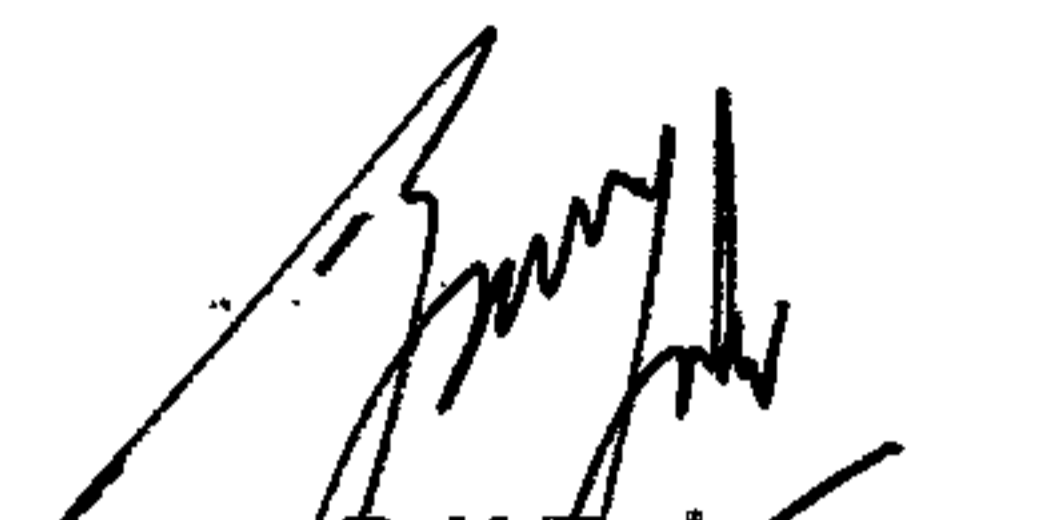


**R.N.Bardhan**  
Partner  
Membership No. 17270

**For and on behalf of the Board**



**Gautam Malik**  
Director  
DIN: 02545671



**B K Tulsyan**  
Director  
DIN: 02447595

Date : 25.05.2015

Place : Kolkata

