

## AUDITOR'S REPORT

To,  
The Members,  
**B.T. SYNDICATE LIMITED.**  
Kolkata

**Report on Financial Statements**

We have audited the accompanying financial statements of B.T. Syndicate Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- (b) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date;

**Report on Other Legal and Regulatory Requirements**

- 1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the "Annexure-I", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;



- c) The Balance Sheet, 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 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, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in 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: Mumbai**  
**Date: 21.08.2018**

**For and on behalf of**  
**Viral Jain & Associates**  
**Chartered Accountants**

**Proprietor**  
**M.No.148019**



**Annexure to the Auditors' Report for the Year Ended on March 31, 2018**

(Referred to in paragraph (3) of our report of even date)

**1. Reporting on maintaining and verifying and disposing of fixed assets**

- a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. As explained to us, the fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- c. The Company does not have any immovable property; hence relevant clause is not applicable to the Company.

**2. Physical verification and Maintenance of records of inventories**

- a. As explained to us, the inventories have been physically verified by the management at reasonable intervals;
- b. No material discrepancies were noticed on such verification.

**3. Loan given by the company**

According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has given loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013.

**4. Loan to Director and Investment by the Company**

According to the information and explanations given to us, the Company has not given any loans, investments, guarantees and security, hence provision of section 185 and 186 are not applicable to the company.

**5. Deposits**

During the year under report, the company has not accepted any deposits as stated in section 73 to 76. Hence clause 3 (v) of the report are not applicable to the company.

**6. Cost Records**

The Company is engaged in the business of trading activity hence the central government has not specified maintenance of cost records.

**7. Statutory Dues**

- a) According to the records of the Company and information and explanation given to us, the company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, sales tax, service tax, value added tax, duty of custom, wealth tax, Income Tax and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as 31st March 2018 for a period of more than six months from the date of becoming payable.
- b) According to the records of the company and information and explanations given to us, no disputed dues of provident fund, employees' state insurance, sales tax, service tax, value added tax, duty of custom, Income Tax and other statutory dues were payable during the year

**8. Default in repayment of dues**

According to the information and explanations given to us, the company has not accepted any loans from financial institution, bank, Government or dues to debenture holders.



**9. Utilization of IPO and Further Public Offer**

According to the information and explanations given to us, the company has not raised any funds by way of Initial Public Offer (IPO) or further public offer (including debt instruments) and terms loans hence the clause 3(xi) of the report are not applicable to the Company.

**10. Reporting of Fraud**

To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

**11. Managerial Remuneration**

According to the information and explanations given to us, the company and to the best of our knowledge and belief the company has paid the managerial remuneration in accordance with the requisite mandated by the provision of section 197 read with schedule V of the Companies Act 2013.

**12. Nidhi Company**

This Clause 3(xii) of the report is not applicable to the Company.

**13. Related Party Transactions:**

According to the information and explanation given the company has disclosed all the transactions with the related parties in compliance with section 177 and 188 of the Companies Act 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards;

**14. Private Placement or Preferential Issues**

According to the information and explanations given to us, the company has not made any preferential issues or made any private placement allotment during the period under review

**15. Non Cash Transaction**

According to the information and explanations given to us, the company has not entered into any non cash transactions with directors or persons connected with him.

**16. Register with RBI Act 1934**

According to the information and explanations given to us, the company is not required to be registered u/s. 45 IA of the RBI Act 1934.

**Place: Mumbai**  
**Date: 21-08-2018**

**For and on behalf of**  
**Viral Jain & Associates**  
**Chartered Accountants**

**Proprietor**  
**M.No.148019**



**SCHEDULE: III**  
**SIGNIFICANT ACCOUNTING POLICIES****I. BASIS OF ACCOUNTING:**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7(1) of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply.

Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

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

**II. FIXED ASSETS:**

Capitalization at acquisition cost including directly attributable cost such as freight, insurances, and specific installation charges for bringing the assets to its working condition.

**III. VALUATION OF INVENTORY:**

Inventories are stated at lower of cost and net realisable value. The Cost of raw materials, packing materials, components, stores and spares and traded goods is determined using the moving weighted average method.

The cost of finished goods and work in progress comprises, raw materials, direct labour, other direct costs and related production overheads and excise duty on such goods. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

**IV. RECOGNITION OF INCOME AND EXPENDITURE**

**Sale of goods:** Sales are recognised when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which coincides with the delivery of goods and are recognised net of trade discounts, rebates, sales taxes and excise duties.

**Interest:** Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Revenue/Incomes and Costs/Expenditures are accounted on accrual basis.

**V. PROVISION & CONTINGENT LIABILITY**

**Provisions:** Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

**Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**VI. INVESTMENTS**

Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However,



provision for diminution is made to recognize a decline other than temporary, in the value of long-term investments, such reduction being determined and made for each investment individually.

**VII. DEFERRED TAX**

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. In situations, where the Company has unabsorbed depreciation or carry forward losses under tax laws, all deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each Balance Sheet date, the Company re-assesses unrecognized deferred tax assets, if any.

**VIII. RELATED PARTY TRANSACTION**

Sr. No	Description of relationship	Name of Related Party
1.	Key Management Personnel (KMP)	Priyesh S Jain
		Bhavin S Jain
2.	Company in which KMP/ Relative of KMP can exercise Significant influence	Knowsys Media Private Limited
		Knowsys Retail Private Limited
		Knowsys Consulting Private Limited
		Regent Finmarketing Private Limited
		Vincent Commercial Co Limited

Details of related party transaction during the year ended 31<sup>st</sup> March, 2018

Particulars	KMP	Relatives of KMP	Company in which KMP/Relative of KMP can exercise Significant influence	Total
Loan Accepted	<b>Knowsys Media Pvt Ltd</b>			1,071,000
	<b>Knowsys E-Com Pvt Ltd</b>			1,625,000
	<b>Vincent Commercial Company Ltd</b>			74,219,284
Loan Repaid	<b>Knowsys Media Pvt Ltd</b>			927,000
	<b>Knowsys Consulting Pvt Ltd</b>			159,772



	<b>Knowsys E-Com Pvt Ltd</b>			1,925,000
	<b>Vincent Commercial Company Ltd</b>			78,699,000
Loan Given	<b>Knowsys Consulting Pvt Ltd</b>			1,537,000
Rent		<b>Bharati S Jain</b>		654,000
Director Sitting Fees	<b>Priyesh S Jain</b>			210,440
Salary Paid	<b>Bhavin S Jain</b>			468,000
		<b>Nicky Priyesh Jain</b>		800,400

**NOTES OF ACCOUNTS:**

- (1) In the opinion of the management, the provident Fund and ESI Act are not applicable to the terms of employment of any employee of the Company. Hence, no provisions or payment have been made for the same. As no employees of the Company has put in the qualifying period of services for the entitlement of gratuity benefits. No provision has been made for the same.
- (2) In the Opinion of the Board of Directors, Current Assets are realizable.
- (3) No further information pursuant to Schedule III of the Companies Act, 2013 is given, as the same is not applicable to the company.
- (4) Balance in respect of debtors, bank, creditors, Loans and Advances including Banks are subject to reconciliation and Confirmation.
- (5) There is no contingent liability in the Company.
- (6) There are no employee drawing remuneration exceeding 1,200,000/- per annum or 1,00,000/- per month as the case may be.
- (7) The company has not made any payment to any related party as required by AS-18 of ICAI.
- (8) The provision of Income Tax has been made considering current profit and any shortfall of earlier years.
- (9) Previous year's figures have been regrouped / rearranged whenever necessary so as to confirm to the balance of the current year.

Sr. No	Particulars	Current Year	Previous Year
1.	Remittance & Expenditure in Foreign Currency	Nil	Nil
2.	Banking in Foreign Currency	Nil	Nil
3.	Value of Imports on CIF Value	Nil	Nil



(10) Payment to M/s Viral Jain & Co. Chartered Accountant is an under

As Audit Fees	:	10,000.00
As Income Tax Matter	:	NIL
As Other Matter	:	NIL

(11) Earnings per Share is calculated by dividing profit by no. of shares.

(12) There is no additional information pursuant to schedule III of the Companies Act, 2013.

(13) The deferred tax liability is not provided as amount pertaining to it nil.

We confirm that the above Balance Sheet has been correctly extracted from the accounts of the Company for the year ended **31st March 2018** audited by us.

As Per our Attached Report of Even Date

**PLACE: MUMBAI**

**DATE: 21-08-2018**

**FOR Viral Jain & Associates  
CHARTERED ACCOUNTANTS**

**(PROPRIETOR)**

**M.No.148019**

