



# **FACT ENTERPRISE LIMITED**

23ND

ANNUAL REPORT

2015-2016



# C P PANDEY & CO.

## CHARTERED ACCOUNTANTS

09975489597 | 08879471572 | 022 2625 5330 | cacppandey@gmail.com

06, Ground Floor, Krishna Vihar CHS., Tata Compound, Irla, Near Fire Brigade, S. V. Road, Andheri (W), Mumbai- 400 058.

### AUDITORS' CERTIFICATE

To  
The Members Of  
**FACT ENTERPRISE LIMITED**

We have examined the compliance of conditions of Corporate Governance by **Fact Enterprise Limited** for the year ended 31<sup>ST</sup> March, 2016 as stipulated in clause 49 of the listing Agreement of the said Company with The Stock Exchange, Mumbai.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and the implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

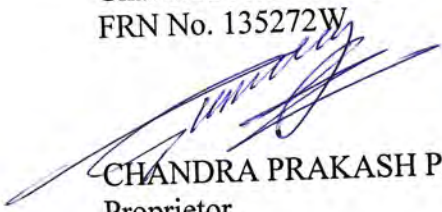
In our opinion and to the best of information and according to the explanations given to us, and the representations made by the directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31<sup>ST</sup> March, 2016, no investor grievances are pending against the Company as per the records maintained by the Company and presented to the Shareholders / Investor Grievance Committee of the Company.

We further state that such compliance is neither as assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For C P PANDEY & CO.  
Chartered Accountants  
FRN No. 135272W



  
**CHANDRA PRAKASH PANDEY**  
Proprietor  
M.No. 148808

MUMBAI: 10 th August 2016





# C P PANDEY & CO.

## CHARTERED ACCOUNTANTS

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06, Ground Floor, Krishna Vihar CHS., Tata Compound, Irla, Near Fire Brigade, S. V. Road, Andheri (W), Mumbai- 400 058.

### AUDITORS' REPORT

To  
The Members Of  
**FACT ENTERPRISE LIMITED**

1. We have audited the attached Balance Sheet of **FACT ENTERPRISE LIMITED** as on 31<sup>ST</sup> March 2016 and also the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) Order, 2003, as amended by the Companies (Auditors Report) (Amendment) Order, 2004 issued by the Central Government in terms of sub-section (4A) of section 227 of the Companies Act, 2013, we enclose as Annexure, a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to above, 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 accounts 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, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report and comply with the Accounting Standards referred to in Section 211 (3C) of The Companies Act, 2013.
  - e) On the basis of written representations received from the Directors, as on 31<sup>ST</sup> March, 2016 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>ST</sup> March, 2016 from being appointed as a Director in terms of Section 274 (1) (g) of The Companies Act, 2013.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said Accounts read together with the other notes in Schedule '17' give the information



required by The Companies Act, 2013 in the manner so required and give a true and fair view:

- I. In the case of the Balance-Sheet, of the state of affairs of the Company as on **31<sup>st</sup> March 2016**;
- II. In the case of the Profit & Loss Account, of the **Loss** of the Company for the period ended on that date; and
- III. In the case of the Cash Flow Statement, of the **Cash Flow** for the year ended on that date.

For C P PANDEY & CO.

Chartered Accountants

FRN No. 135272W

CHANDRA PRAKASH PANDEY

Proprietor

M.No. 148808



MUMBAI: 10th August 2016



## **ANNEXURE TO THE AUDITORS REPORT**

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

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) All the Fixed Assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.  
(c) During the year, the Company has not disposed off any Fixed Assets.
2. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.  
(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
(c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. (a) The Company has not granted loans secured or unsecured to companies, firms or other parties covered in the register maintained U/s 301 of the Companies Act, 2013. However interest free advance has been given to one Company, the maximum balance outstanding at any given time during the year and closing balance of such advance as on 31.03.2016 were Rs.NIL and NIL Lacs respectively. However, the advance will be realized / adjusted on implementation of project. Accordingly clauses (b) and (c) of the order are not applicable. (please refer notes to accounts).  
(d) There was no overdue amount of more than Rs. 1 Lac in respect of the above advance granted by the Company.  
(e) The Company has not taken any unsecured loan from a Company covered in the Register maintained under section 301 of the Companies Act, 2013. Accordingly clauses (f) and (g) of the Order are not applicable.
4. In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to the purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
5. (a) In our opinion, and according to the information and explanations given to us, there are no such particulars of contracts or arrangements referred to in section 301 of the Act that need be entered in the register required to be maintained in pursuance of Section 301 of the Companies Act, 2013. Accordingly clause (b) of the order is not applicable.





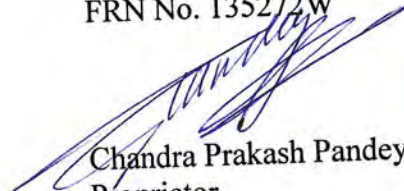
6. (a) In our opinion and according to the information and explanations given to us, the company has not accepted deposits under the provisions of Sections 58 A and 58 AA of the Companies Act, 2013.
- (b) There have been no proceedings before the Company Law Board, National Company Law Tribunal, Reserve Bank of India, any Court and any other Tribunal in this matter.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. We are informed that the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of The Companies Act, 2013 for any of the products of the company.
9. According to the records of the company, it has been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, profession tax, tax deducted at source and other statutory dues applicable to it except the following dues that have not been paid till date:
- a) Income-tax relating to AY 2006-07 of Rs. 2834690/-, A.Y 2007-08 9398973/-, A.Y 2008-09 342887594/-, 2009-10 717710/- A.Y. 2010-11 75450200/- and Rs. 20555980- of AY 2012-2013.
- b) Dividend Distribution Tax relating to the year 2015-2016 amounting to Rs. 0.00- and Rs. 0.00- of FY 2015-2016..
10. The company has accumulated losses AND has incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has outstanding dues payable to many financial institution, bank.
12. Based on our examination of documents and records, we are of the opinion that the company has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. We are informed that the provisions of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund / Society do not apply to the Company.
14. Based on our examination of records in relation of transactions of shares and securities, we are of the opinion that proper records have been maintained of the transaction and contracts and timely entries have been made in those records. We also report that the company has held the shares, securities, debentures, and other securities in its own name except otherwise pending for transfer.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
16. The company has not availed any term loans during the year.
17. On the basis of our review of statements of accounts and as confirmed by the management, funds raised on short-term basis have not been used for long-term purpose and vice versa.



18. The company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 2013.
19. The company has not issued any debentures during the year and accordingly this clause is not applicable.
20. The Company has not raised any money by way of public issue during the year.
21. 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.

For C P PANDEY & CO.  
Chartered Accountants  
FRN No. 135272W



  
Chandra Prakash Pandey  
Proprietor  
M. No. 148808

MUMBAI: 10<sup>th</sup> August 2016