

Independent Auditor's Report

**To the Members of
Pioneer Fundinvest Private Limited.,**

Report on the Financial Statements

We have audited the accompanying Financial Statements of Pioneer Fundinvest Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss and the Cash Flow statement for the year then ended, and a summary of Significant Accounting Policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these 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 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 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 financial controls 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 financial statements.

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, of the state of affairs of the Company as at 31 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 of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 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 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 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 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - 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; as such the question of commenting any material foreseeable losses thereon does not arise

- iii. There has not been any occasion in case of the company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

**For Jayesh Dadia & Associates,
Firm Reg. No.: 121142 W
Chartered Accountants**

**Sd/-
Nishit Dave
Partner
M.No.: 120073
Mumbai, Dated: 27th May 2015**

Annexure to the Independent Auditors' Report:

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2015, we report that:

- (i) The Company does not have any fixed assets. Hence comment under clause (a) and (b) are not given.
- (ii) The Company does not have any inventory. Hence comment under clauses (a), (b) and (C) are not given.
- (iii) The company has not granted any loan, secured or unsecured to the Companies, firms or other parties covered in the Register maintained u/s 189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventories and fixed assets and for the sale of services. As explained to us there are no continuing failures to correct major weakness in internal control system.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including service tax, provident fund, and other material statutory dues applicable to it.

- (b) According to the information and explanation given to us, there are no disputed statutory dues.
- (c) There has not been any occasion in case of the company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.
- (viii) The company has been registered for a period of more than five years. It has no accumulated losses. The Company has not incurred cash loss for the current financial year. However company has incurred cash loss in the immediately preceding financial year.
- (ix) The company has no due to financial institution or bank.
- (x) As informed to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) As informed to us, the company has not obtained any term loans.
- (xii) As informed to us, no fraud on or by the Company has been noticed or reported during the year;

**For Jayesh Dadia & Associates,
Firm Reg. No.: 121142 W
Chartered Accountants**

**Sd/-
Nishit Dave
Partner
M.No.: 120073
Mumbai, Dated: 27th May 2015**

Pioneer Fundinvest Pvt Ltd.
Balance Sheet
As at 31st March, 2015

Particulars	Note No.	31.03.2015 ₹	31.03.2014 ₹
<u>Equities & Liabilities</u>			
<u>Shareholders' Funds</u>			
- Share Capital	1	2,100,000	2,100,000
- Reserves & Surplus	2	1,297,933	719,979
"A"		3,397,933	2,819,979
<u>Non-Current Liabilities</u>			
- Long Term Borrowings	3	-	78,867
"B"		-	78,867
<u>Current Liabilities</u>			
- Other Current Liabilities	4	31,284	11,236
- Short Term Provisions	5	155,000	-
"C"		186,284	11,236
Total - "A" + "B + C"		3,584,217	2,910,081
<u>Assets</u>			
<u>Non-Current Assets</u>			
- Long Term Loans & Advances	6	790,000	400,000
"A"		790,000	400,000
<u>Current Assets</u>			
- Current Investment	7	-	2,500,000
- Cash & Cash Equivalants	8	2,509,669	10,081
- Other Current Assets	9	284,548	-
"B"		2,794,217	2,510,081
Total - "A" + "B"		3,584,217	2,910,081
		(0.54)	-

As per Report of Even Date
For Jayesh Dadia & Associates
Firm Reg.No.: 121142W
Chartered Accountants

For Pioneer Fundinvest Pvt Ltd

Sd/-
Nishit Dave
Partner

Mem. No.: 120073

Mumbai, dated: 27th May, 2015

Sd/-
Hemang Gandhi
Director
(DIN: 00008770)

Sd/-
Rakesh Bhatia
Director
(DIN:00008192)

Pioneer Fundinvest Pvt Ltd.
Statement of Profit & Loss
for the year ended 31st March, 2015

Particulars	Note No.	31.03.2015 ₹	31.03.2014 ₹
Other Income	10	791,718	-
Total Revenue		791,718	-
Expenses			
Finance Expenses	11	12,183	-
Other Expenses	12	46,579	31,764
Total Expenses		58,762	31,764
Profit / (Loss) before Tax		732,956	(31,764)
Tax Expense			
- Current Tax		155,000	-
- Earlier Years Tax		-	283
Profit / (Loss) After Tax		577,956	(31,481)
Earning Per Equity Share	13		
- Basic & Diluted		27.52	(1.50)

As per Report of Even Date

For Jayesh Dadia & Associates

Firm Reg.No.: 121142W

Chartered Accountants

For Pioneer Fundinvest Pvt Ltd

Sd/-

Nishit Dave

Partner

Mem. No.: 120073

Mumbai, dated: 27th May, 2015

Sd/-

Hemang Gandhi

Director

(DIN: 00008770)

Sd/-

Rakesh Bhatia

Director

(DIN:00008192)

PIONEER FUNDINVEST PVT.LTD.

Cash Flow Statement for the year ended March 31,2015

	Particulars	For the year ended	For the year ended
		March 31, 2015	March 31, 2014
		Amount (₹.)	Amount (₹.)
A	Cash Flow from Operating Activities		
	Net Profit Before Tax and Extraordinary Items	732,956	(31,764)
	Adjustments for :		
	Interest on Fixed Deposits	(506,930)	0
	Operating Profit Before Working Capital Changes	226,026	(31,764)
	Adjustments for :		
	Trade & Other Receivables	(674,548)	0
	Trade Payables & Other Liabilities	20,048	0
	(Increase)/Decrease in Net Current Assets		
	Cash Generated from Operations	(428,474)	(31,764)
	Direct Taxes Paid	-	(200)
	Net Cash from Operating Activities	(428,474)	(31,964)
B	Cash Flow from Investing Activities		
	Purchase of Investments	2,500,000	-
	Interest on Fixed Deposits	506,930	-
	Net Cash Used in Investing Activities	3,006,930	-
C	Cash Flow from Financing Activities		
	Laon taken from Holding Company	(78,867)	25,000
	Net Cash from Financing activities	(78,867)	25000
	Net Increase in Cash & Cash Equivalents	2,499,589	(6,964)
	Cash & Cash Equivalents at the beginning of the Year	10,081	17,045
	Cash & Cash Equivalents at the close of the Year	2,509,669	10,081

As per Report of Even Date
For Jayesh Dadia & Associates
Chartered Accountants
By the hand of

Sd/-
Nishit Dave
Partner
Mumbai, dated : 27th May, 2015

For Pioneer Fundinvest Pvt Ltd

Sd/-
Hemang Gandhi
Director
(DIN: 00008770)

Sd/-
Rakesh Bhatia
Director
(DIN:00008192)

**ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE YEAR ENDED
31st MARCH, 2015**

A) SIGNIFICANT ACCOUNTING POLICES:

1. Accounting Convention

The accompanying financial statements have been prepared in accordance with the historical cost convention and keeping in view the generally accepted accounting principles and standards and the relevant presentational requirements of the Companies Act, 2013.

2. Fixed Assets

- a) Capitalized at acquisition cost including directly attributable costs such as freight, insurance and specific installation charges for bringing the assets to the working condition for use.
- b) Intangible assets are stated at cost, net of tax / duty availed, less accumulated amortization / impairment losses, if any.
- c) The carrying amount of the assets, shall be recognized in retained earning, where the remaining useful life of an assets is nil

Cost includes original cost of acquisition, including incidental expenses related to such acquisition.

3. Depreciation

- a) The company provides depreciation as per Schedule II of the Companies Act 2013.
- b) Depreciation on assets acquired and sold during the year/ period, has been charged pro-rata from / up to the month
- c) Intangible assets such as software, leasehold office premises etc are amortised over a period of Five (5) years.

4. Investment

Investments, which are readily realizable and 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 non – current investments.

Current investments are stated at lower of cost or market / fair value. Non – current investments are carried at cost. Provision for diminution in value of non – current investments is made, if in the opinion of the management, such diminution is other than temporary

5. Revenue Recognition

- Income is accounted for on accrual basis subject to certainty as to determination or realisability;
- Other income is also accounted for on accrual basis;

6. Expenses

All expenses are accounted for on accrual basis.

7. **Preliminary Expenses**

Preliminary Expenses are written off over a period of five years from the date on which they are incurred.

8. **Income Tax**

Provision for Income Tax has been made as per the provisions of Income Tax Act, 1961. The Company has accounted for Deferred Taxation in line with Accounting Standard-22 "Accounting for taxes on income" (AS-22), issued by ICAI.

Pioneer Fundinvest Pvt Ltd.		
Notes to the Financial Statements for the year ended 31st March, 2015		
Particulars	31.03.2015 ₹	31.03.2014 ₹
- Shareholders' Funds		
Note No.: 1		
Share Capital		
- Authorised Capital		
21,000 Equity Shares of ₹.100/- each	2,100,000	2,100,000
(Previous Year: 21,000 Equity Shares of ₹.10/- each)		
4,000 (4,000)6% Non Cumulative Redeemable Preference Share of ₹.100/- each	400,000	400,000
	2,500,000	2,500,000
- Issued, Subscribed & Fully Paid Up Shares		
21,000 Equity Shares of ₹.100/- each	2,100,000	2,100,000
(Previous Year: 21,000 Equity Shares of ₹100/- each)		
Total Issue, Subscribed & Fully Paid up Share Capital	2,100,000	2,100,000
A) Reconciliation of shares outstanding at the beginning and at the end of the reporting period:		
At the beginning of the reporting period:		
21,000(Previous Year 21,000) Equity Shares of Rs.100/- each	2,100,000	2,100,000
Issued during the period		
Nil (Previous Year Nil) Equity Shares of Rs.10/- each	-	-
Outstanding at the end of the period:		
21,000(Previous Year 21,000) Equity Shares of Rs.100/- each	2,100,000	2,100,000
B) Details of Shareholders holding more than 5% share in the Company		
<i>wholly owned Subsidiary of Pioneer Investcorp Ltd.</i>		
C) Rights attached to equity shares		
The company has only one class of issued equity shares having a par value of Rs 100/- per share. Each holder of equity share entitled to one vote per share. The company declares and pays dividend in Indian Rupees		
Note No.: 2		
Reserves & Surplus		
- General Reserves	490,107	490,108
- Share Premium	31,200	31,200
- Capital Redemption Reserve	31,200	31,200
Surplus in the Statement of Profit & Loss		
- Balance as per Last Financial Statement	167,470	198,951
Profit for the Year	577,956	(31,481)
Net Surplus in the Statement of Profit & Loss	745,426	167,470
Total Reserves & Surplus	1,297,933	719,979
- Non-Current Liabilities		
Note No.: 3		
Long Term Borrowings		
Unsecured Loans		
- From Holding Co	-	78,867
	-	78,867
- Current Liabilities		
Note No.: 4		
- Other Current Liabilities		
Due to Other than SMEs		
- For Expenses	22,472	11,236
- Interest Payable	8,812	-
	31,284	11,236

Particulars	31.03.2015 ₹	31.03.2014 ₹
Note No.: 5		
- Short Term Provisions		
- Income Tax	155,000	-
	155,000	-
Note No.: 6		
<u>- Long Terms Loans & Advances</u>		
(Unsecured Considered Good Unless Otherwise Stated)		
Loan and Advances	790,000	400,000
	790,000	400,000
Note No.: 7		
<u>- Current Investment (Lower of cost or Realisable value)</u>		
<u>- Quoted</u>		
Liquid Fund Growth Scheme of Union KBC Mutual Fund 2325.446(P.Y. Nil) units of Rs.1075.0625 each Market Value: Rs.27,40,822 P.Y. (Rs.Nil)	-	2,500,000.00
	-	2,500,000
Note No.: 8		
<u>- Cash & Cash Equivalants</u>		
- Balance with Banks		
- In Current Accounts	9,429	10,081
- Fixed Deposit With Bank	2,500,240	-
* With Maturity of more than 12 month		
	2,509,669	10,081
Note No.: 9		
<u>- Other Current Assets</u>		
- Accrued Interest	284,548	-
	284,548	-

Pioneer Fundinvest Pvt Ltd
Notes to the Financial Statements for the year ended 31st March, 2015

Particulars	31.03.2015 ₹	31.03.2014 ₹
Note No.: 10		
<u>- Other Income</u>		
-Profit on Sale of Investment	506,930	-
-Interest		
on Fixed Deposits	240	
on Others	284,548	
	791,718	-
Note No.: 11		
<u>- Finance Expenses</u>		
Bank Commission	3,371	-
Interest Payment	8,812	-
	12,183	-
Note No.: 12		
<u>- Other Expenses</u>		
Professional Fees	8,118	15,983
Profession Tax - Company	2,500	2,500
Filing Fees / ROC	5,624	2,045
Statutory Audit Fees	11,236	11,236
Membership Fees	19,101	-
	46,579	31,764
Note No.: 13		
<u>Earnings Per Share</u>		
Net Profit as per Statement of Profit & Loss (A)	577,956	(31,481)
Weighted average number of Equity Share used in computing basic/diluted earning per share (B)	21,000	21,000
Earning Per Share (Rs.) Basic/Diluted- (A/B)	27.52	(1.50)

Notes:

14. In the opinion of the Board of Directors and to the best of their knowledge adequate provisions has been made in the accounts for all known liabilities and the current assets, loans and advances have a value on realisation in the ordinary course of business.
15. There are no dues outstanding to micro and small enterprises under the Micro, Small and Medium Enterprises Development Act.
16. During the year under review, the company neither earned any income nor incurred any expenditure in foreign currency.
17. The Company neither has any employee during the current year nor had, in the past, therefore there is no liability of employees benefit. Hence the AS-15 "Retirement Benefits (revised) 2005" is not applicable to the Company.
18. The Company operates only in one segments. As such, there are no separate reportable segments, as per Accounting Standard on "Segment Reporting" (AS 17) issued by the Institute of Chartered Accountants of India.
19. **Related Party Disclosures**

As required by accounting standard – AS 18 issued by The Institute of Chartered Accountants of India, particulars regarding Related Party Disclosures are as follows:

Category I- Key Management Personnel

- Mr. Gaurang Gandhi
- Mr. Hemang Gandhi
- Mr. Rakesh Bhatia

Category II- Holding Company

- Pioneer Investcorp Ltd.

Category III-Other related Companies

- Pioneer Commodities Intermediaries Pvt. Ltd.
- Pioneer Money Management Ltd.
- Pioneer Wealth Management Services Ltd
- Pioneer Investment Advisory Services Ltd.
- Infinity.com Financial Securities Ltd.

Category IV-Entities Under Common Control

- Pioneer Fund Advisors Pvt. Ltd
- Pioneer Insurance & Reinsurance Brokers Pvt. Ltd.
- PINC Finsec Services Ltd.
- Siddhi Portfolio Services Pvt. Ltd.
- Extermore Securities & Investment Pvt. Ltd.
- Associated Capital Market Management Pvt. Ltd.
- Symbyosys Integrated Solutions Pvt. Ltd.
- Sharpshoot Motors & Automobiles Pvt. Ltd.
- Sargam Multitrade Pvt. Ltd.
- Devraj Properties Pvt. Ltd.
- L.Gordhandas & Co. Clearing Agent Pvt. Ltd.
- Festive Multitrade Pvt. Ltd.
- Benefit Realty Pvt. Ltd.
- Pushpdeep Trading Pvt Ltd.

Category V-Associate Concern

- Associated Instruments & Services

Details of related party transaction carried out during the year ended 31st March, 2015

Nature of Transactions ((Received) / Paid)	Category I	Category II	Category III	Category IV
1) Unsecured Loans	Nil <i>Nil</i>	70,055 <i>(78,867)</i>	Nil <i>Nil</i>	Nil <i>Nil</i>
2) Interest Paid	Nil <i>Nil</i>	8812 <i>(Nil)</i>	Nil <i>Nil</i>	Nil <i>Nil</i>
3) Closing balances((Cr)/Dr)	Nil <i>Nil</i>	(8812) <i>(78,867)</i>	Nil <i>Nil</i>	Nil <i>Nil</i>

20. In absence of any timing difference of particulars, provision for deferred tax not made in the accounts as per the AS 22 issued by The Institute of Chartered Accountants of India
21. Balances of Sundry Debtors, Creditors and Loans and Advances are subject to confirmation.
22. Provision for Income tax has not made in the accounts in view of loss.
23. The figures of the previous year are regrouped or reclassified, wherever necessary, to make them comparable with the figures of current year.

For and on behalf of the Board of Directors'

Sd/-
Hemang Gandhi
Director
(DIN:00008770)

Sd/-
Rakesh Bhatia
Director
(DIN:00008192)

Date:27th May 2015
Place: Mumbai