



## **INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS**

**To**  
**THE MEMBERS OF**  
**LAXMI INFRA VENTURE PRIVATE LIMITED,**  
**PLOT NO - 315, SAHEED NAGAR, BHUBANESWAR, ODISHA – 751007.**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **LAXMI INFRA VENTURE PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, 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 preparation of these financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the financial position, financial performance and cash flows 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. The respective Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the respective assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of these financial statements by the Board of Directors of the Company.

### **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 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 financial control relevant to the Company's preparation and presentation 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 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.







// 2 //

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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
- b) in the case of the Statement of Profit and Loss, of the profit of the Company 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, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act and CARO is applicable to this company for the year ending 31.03.2019.
- 2) As required by Section 143 (3) of the Act, we report, to the extent applicable, 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 accounts as required by law relating to preparation of financial statements have been kept 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 relevant books of account maintained for the purpose of the financial statements.
  - 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, Companies (Indian Accounting Standard Accounts) Rules, 2015, as amended.
  - e) On the basis of the 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 of Section 164 (2) of the Act.
  - f) There is no branch so, there is no such account to be considered for reporting.
  - g) As observed from the systems and the procedures maintained, the company has adequate internal financial control system in place and the operating effectiveness of such controls, as given in annexure-II.
  - h) 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:







// 3 //

- (i) The Company does not have any pending litigations which would impact its financial position.
- (ii) The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) The company has not transferred any amount, to the Investor Education and Protection Fund as it is not required.



Date : 26.06.2019  
Place : Bhubaneswar

For **K. C. JENA & CO.**  
Chartered Accountants  
F.R.N.-319212E

(CA K. C. JENA)  
Partner, M. No. -054561



**LAXMI INFRA VENTURE PRIVATE LIMITED**  
**Companies (Auditor's Report) Order, 2016**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

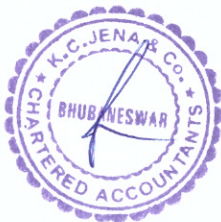
Our reporting on the Order are given here-under:

- i. In respect of the fixed assets of the Company
  - (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As per the information and explanations given to us, the company has the system of physical verification of all its fixed assets once in a year. Accordingly, most of its assets have been physically verified by the management during the year in accordance with the programme of verification. In our opinion, the frequency of verification of fixed assets by the management is at reasonable intervals. No material discrepancies between the book records & the physical inventories have been noticed in respect of the assets physically verified.
- ii. In respect of the Inventories of the Company
  - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. In our opinion, the frequency of the verification is reasonable.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management were found reasonable and adequate in relation to the size of the company and nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the discrepancies noticed on verification between the physical stocks and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of accounts.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the companies Act.
- iv. In our opinion and according to the information and explanations given to us, the Company has an adequate internal control system commensurate with its size and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.



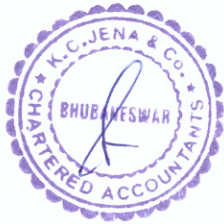


- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public and do not have any unclaimed deposits. Therefore, the provisions of Clause (v) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148, of the Companies Act for any of the products of the company. Hence, the provisions of clause 3 (vi) of the Order are not applicable to the Company as the entity is not covered by the Companies (Cost Records and Audit) Rules, 2014.
- vii. In respect of statutory dues :
- a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, cess and other material statutory dues have been generally regularly deposited with the appropriate authorities, except TDS of Rs.59,837/- was payable as on 31.03.2019.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2019 for a period of more than six months from the date of becoming payable.
- viii. According to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution, bank, Government or dues to any debenture holders during the year.
- ix. In our opinion and according to the information and explanation given to us, the company has not raised money by way of initial public offer or further public offer (including Debt instrument and term loans).
- x. According to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. As section 197 of companies act 2013 is not applicable to private limited company hence provisions of clause 3 (xi) of this order are not applicable to the Company.
- xii. In our opinion, the entity is not a Nidhi Company. Hence, compliance with the provisions of nidhi Company under nidhi rules, 2014 is not required. So, reporting under clause (xii) of paragraph 3 of the order is not applicable.
- xiii. According to the information and explanations given to us, the company has not entered into any related party transaction. Hence, compliance with section 177, 178 and other disclosures are not applicable.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the financial year ending on 31<sup>st</sup> march, 2019. Hence clause (xiv) of the paragraph 3 is not applicable.






- xv. According to the information and explanations given to us, the company has not entered into any non-cash transaction with the Directors or persons connected with him during the financial year. Hence reporting under clause (xv) of the paragraph 3 is not applicable.
- xvi. In our opinion and according to the information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.



Date : 26.06. 2019  
Place : Bhubaneswar

For **K. C. JENA & CO.**  
Chartered Accountants  
F.R.N.-319212E

  
(CA K. C. JENA)  
Partner, M. No. -054561



## **Annexure-I**

### **Report on the Internal Financial Controls under Clause (i) 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 **LAXMI INFRA VENTURE PRIVATE LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

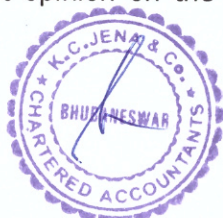
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). 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.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our 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 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 the 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.



Date : 26.06.2019  
Place : Bhubaneswar

For K.C. JENA & CO.  
Chartered Accountants  
F.R.N.- 319212E

(CA K.C. JENA)  
Partner, M.No.- 054561