

LCS

LTH

YBL

Financial-2019-20

# AUDIT REPORT

OF

**M/S GANAPATI BUILDERS LIMITED**  
*for the year ended 31.03.2020.*

**Audited By:**  
**K.C. SAMAL & CO.**  
*Chartered Accountants*  
**At/Po: Budharaja,**  
**Dist: Sambalpur,**  
**Odisha-768004**  
**P.H.: 0663-2533254**

---

---

**INDEPENDENT AUDITORS' REPORT**

To the Members of GANAPATI BUILDERS LIMITED.

**Opinion**

We have audited the accompanying standalone financial statements of **Ganapati Builders Limited** ('the Company'), which comprise the Balance Sheet as at **31st March 2020** and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 **31 March 2020** and its **Profit** for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and We have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

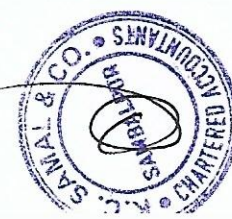
**Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. we have nothing to report in this regard.



## 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 and presentation of these standalone financial statements that give a true and fair view of the financial position and financial performance 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that We identify during our audit.
- We also provide those charged with governance with a statement that We have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, We determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, We determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### 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 Companies Act, 2013, we give in the 'Annexure A', 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 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 and the Statement of Profit and Loss 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 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - (f) With respect to the adequacy of the Internal financial control over financial reporting of the Company and the operating effectiveness of such controls vide notification no. G.S.R 583(E) dated 13th June 2017, shall not apply for this company as per Chapter X clause (i) of section 143(3) of Companies Act 2013.; and
  - (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 knowledge and according to the explanations given to us:



- i. The Company does not have any pending litigations which would impact its financial positions.
- 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

For, K C KAMAL & CO.,  
(Firm Regn.No.310060E)  
Chartered Accountants



(CA K C KAMAL)  
Partner, M.No.17647

Place : Sambalpur  
Date : 28.09.2020



## "Annexure A" to the Auditors' Report

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of **GANAPATI BUILDERS LIMITED** on the account of the company for the year ended 31st March 2020.

On the basis of such checks as We considered appropriate and according to the information and explanations given to us, We report that

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 end by the management which, in our opinion, is reasonable having regard to the size of the Company and nature of its business. As explained to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.

2. (a) The inventory has been physically verified by the management at the yearend which in our opinion is reasonable.

(b) According to the information and explanation given to us no material discrepancies were notice on such physical verification.

(c) The company has not been sanctioned working capital limits in excess of five crore rupees at any point during the year, in aggregate, from banks or financial institutions on the basis of security of current assets

3. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

4. The company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investment, guarantees and securities made.

5. The company has not accepted any deposits from the public and consequently, the directives issued by Reserve Bank of India and provisions of Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposit accepted from public are not applicable.

6. As informed to us, the Central Government has not prescribed the maintenance of cost records under Sub-section (1) of Section 148 of the Companies Act, 2013 for the year under audit to the Company.

7. (a) The Company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, excise duty, service tax, value added tax or any other statutory dues applicable to it. As informed to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at the last day of the financial year for a period of more than six months from the date of becoming payable.

(b) The Company has not disputed in payment of tax with the appropriate authorities and has not disputed statutory dues including provident fund, employees state insurance, income tax, excise duty, service tax, value added tax or any other statutory dues applicable to it.



8. There was no unrecorded transactions in the books of account that is required to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961),
9. The Company has not defaulted in repayment of dues to the financial institutions or banks. The company has not taken any loan from government and has not issued any debenture during the year.
10. (a) In our opinion, the company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.  
(b) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly paragraph 3 (xiv) of the Order is not applicable.
11. According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
12. In our opinion and according to the information and explanation given to us, the Company is not a nidhi company. Accordingly paragraph 3(xii) of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us, all the transactions with related parties are in compliance with sections 177 and 188 of the Companies Act 2013 and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. In our opinion, the company has internal audit system in place in commensurate with its size and nature.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly paragraph 3 (xv) of the Order is not applicable.
16. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve bank of India Act 1934.
17. The company has not incurred cash losses in the financial year or in the immediately preceding financial year.
18. No there has not been any resignation of the statutory auditors during the year.
19. In our opinion, no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
20. The second proviso to sub-section (5) of section 135 of the said Act is not applicable to the Company.
21. There are no consolidated financial statements required to be prepared by the company.

Place : Sambalpur  
Date : 28.09.2020



For, K C KAMAL & CO.,  
(Firm Regn.No.310060E)  
Chartered Accountants

(CA K C KAMAL)  
Partner, M.No.17647