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G. BASU & CO.
CHARTERED ACCOUNTANTS

BASU HOUSE
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PURSHOTAM COMPANY PRIVATE LIMITED

Report on the Audit of the Financial Statements of Purshotam Company Private Limited

Opinion

We have audited the accompanying financial statements of **Purshotam Company Private Limited** ("the Company"), which comprise the Balance Sheet as at **31st March 2020**, the statement of profit and loss and the cash flow statement for the year on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statement").

In our opinion and to the best of information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 as amended (the "Act") 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 **March 31, 2020**, the profit and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). 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 the Chartered Accountants of India (ICAI) together with independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide the basis for our audit opinion on the financial statements.

Emphasis of matter:

Emphasis is laid on collection of Balance confirmation certificates from Sundry Debtors and Sundry Creditors. Our opinion is not qualified in this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming of opinion thereon, and we do not provide a separate opinion on these matters.



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Information other than the 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 and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the companies in accordance with the AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the companies are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the companies 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, the Board of Directors of the company 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.

The Board of Directors is 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 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 ability of the Group 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the financial statements.

Materiality is the magnitude of misstatements in the 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 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 Section 143(3) of the Act, based on our audit 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 of the aforesaid financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the



aforesaid 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 Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.
 - d) In our opinion, the aforesaid financial statement comply with Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on **March 31, 2020** taken on record by the Board of Directors, none of the directors is disqualified as on **March 31, 2020** from being appointed as a director in terms of Section 164(2) of the Act.
 - f) Section 197 not applicable to the company and not included in auditor's report with respect to the other matters to be included in Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, we hereby report that Section 197 of the Companies Act is not applicable to the company.
 - 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The financial statements disclose the impact of pending litigations on the financial position of the company in note no.34 of financial statements.
 - ii. The company has not entered into long term contracts or derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

Place : Kolkata

Date : September 2, 2020

UDIN : 20051717AAAAAE2581

For G. BASU & CO.
Chartered Accountants
R. No.-301174E


(S. LAHIRI)
Partner
(M. No. 091717)

Annexure

ANNEXURE TO THE AUDITORS' REPORT AS REFERRED TO IN PARA OF THE SAID REPORT OF EVEN DATE

- 1a). The company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
- 1 b). The fixed assets have been physically verified during the year, at reasonable intervals by the management and no material discrepancies were noticed on such verification.
- 2a). Inventories have been physically verified by an independent firm of Chartered Accountants.
- 2b). We have relied upon the stock verification certificate referred to above which state that inventories records are properly maintained and no materials discrepancies has been observed in course of verification
- 3) The company has not granted any loan to any company or party covered in the register maintained under section 189 of the Companies Act, 2013. Hence, other clauses of the para are not applicable.
- 4) The Company has not given any loan within the meaning of section 185 of the Companies Act, 2013. It has also not made any investment or given any guarantee.
- 5) The company has not accepted any public deposit during the year.
- 6) Central government has not prescribed maintenance of cost record under section 209(i) of the Companies Act, in respect of the company.
- 7a) The company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor's Education and Protection Fund, Employees' State Insurance, Income Tax as well as Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess, Service Tax , Goods and Service Tax and any other statutory dues to the extent applicable to it with the appropriate authorities. None of the statutory dues referred to above has been outstanding for a period of 6 months and above.
- 7b) There has been no due on account of the above not deposited due to dispute except Rs. 2.40 lacs on account of one demand of Sales Tax for financial year 1995-96 disputed before Revision Bench in connection with value of turnover of the company.
- 8) Based on our audit procedures and as per the information and explanations given to us the company has not defaulted in repayment of loan to Bank or government dues. It has no



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debenture holder or financial institutional borrowing.

- 9) The company has not raised any money by way of initial public offer or further public offer. The company has taken term loan during the year and it was utilized for the purpose for which it was taken.
- 10) As per information & explanations given to us, no fraud by or on the company has been noticed or reported during the year.
- 11) The Section 197 of the Companies Act, 2013 is not applicable to the company.
- 12) The company is not a Nidhi Company.
- 13) Transactions with related parties are in compliance of the provisions of Section 188 of Companies Act, 2013.
- 14) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture.
- 15) The company has not entered into any non cash transaction with director or person connected with him.
- 16) The company is not required to be registered under section 45IA of Reserve Bank of India Act, 1934.

Place : Kolkata

Date : September 2, 2020

UDIN : 20051717AAAAAE2581

For G. BASU & CO.

Chartered Accountants

R. No.-301174E



(S. LAHIRI)

Partner

(M. No. 051717)