

**Matoshri Babai Producer Company Limited**

GAT NO.472, AT WAKAD  
TQ-KANNAD  
DIST. AURANGABAD - 431007

**AUDITED STATEMENTS OF ACCOUNT  
FOR THE YEAR 2021-2022**

**AUDITOR'S:**

**KBPS AND CO  
Chartered Accountants  
12 P, Town Center, Beside Air India Office,  
Near Seven Hills, Aurangabad - 431 003**

**KBPS AND CO**  
**Chartered Accountants**

Office : Office : 12 P Town Centre, Beside Air India Office, CIDCO, Aurangabad - 431 003

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**INDEPENDENT AUDITOR'S REPORT**

To,  
The Members,  
Matoshri Babai Producer Company Limited

**Report on the Audit of Financial Statements**

**Opinion**

1. We have audited the attached Financial Statements of **Matoshri Babai Producer Company Limited** ('the Company'), as at 31st March, 2022 which comprise of Balance Sheet, Statement of Profit and Loss for the year then ended and a summary of significant accounting policies and other explanatory information.
2. 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2021, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit/Loss for the year ended on that date.

**Basis for Opinion**

3. We conducted our audit of financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and We have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by ICAI.
4. We believe that the audit evidence We have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

5. Key audit matters are those matters that, in our professional judgment, are of most significance in our audit of the financial statements of the current period. These matters are addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and We do not provide a separate opinion on these matters.
6. Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.



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

7. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Annual report but does not include the financial statements and our auditor's report thereon.
8. Our opinion on the financial statements does not cover the other information and We do not express any form of assurance conclusion thereon.
9. 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 in the audit or otherwise appears to be materially misstated.
10. If, based on the work We have performed, We conclude that there is 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

11. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 are 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.
12. 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.
13. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

14. 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.



15. As part of an audit in accordance with SAs, We exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- a 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 my 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.
  - b Obtain an understanding of internal control 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.
  - c Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - d 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 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 my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - e 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.
- 16 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.
- 17 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.
- 18 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



- 19 From the matters communicated with those charged with governance, We determine those matters that are 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

20. This report does not include a statements on the matters specified As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, since in my opinion and according to the information and explanations given to me, the Order is not applicable.

As required by section 143(3) of the Act, We report that:

- a) We have sought & obtained all the information and explanations which to the best of our knowledge and belief are 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 Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
- d) In my 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, 2021.
- e) On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164(2) of the Companies Act, 2013.
- f) In our opinion, the provisions of Section 143(3)(i) with regard to opinion on internal financial controls with reference to financial statements and operating effectiveness of such controls is not applicable to the company

21. 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 including derivative contracts for which there are any material foreseeable losses.
- iii) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.



iv) a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any othersources or kind of funds) by the company to or in any other person or entity, including forenentities (“intermediaries”) with the understanding, whether recorded in writing or otherwise, thatthe intermediary shall, whether directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or behalf of the company (“ultimate beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries.

b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity including foreign entities(“Funding Parties”) with the understanding, whether recorded in writing or otherwise, that the company shall, whether directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries; and

c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that representations under sub clause (a) and (b) contain any material mis-statement

v) The Company has neither declared nor paid any dividend during the year.

For KBPS & Co  
Chartered Accountants  
Firm Regn. No.:- 121529W



*Yashodeep*  
CA Yashodeep P Bafna  
M. No.:- 154608  
[Partner]

Place : Aurangabad  
Date : 14.09.2022

UDIN:- 22154608ASDYPF3977

**Matoshri Babai Producer Company Limited**  
GAT NO.472, AT WAKAD  
DIST. AURANGABAD - 431007  
Balance Sheet as at 31.03.2022

(Amount in Rs.)

Particulars	Note No.	As on 31.03.2022	As on 31.03.2021
<b>I] EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
a) Share Capital	1	5,62,000.00	5,62,000.00
b) Reserves & Surplus	2	1,50,013.31	18,246.63
c) Money received against share warrants		-	-
<b>(2) Share Application money pending allotment</b>			
<b>(3) Non-Current Liabilities</b>			
a) Long-term Borrowings			12,047.00
b) Deffered Tax Liabilities (Net)	3	14,493.34	-
c) Other Long term Liabilities		-	-
d) Long-term Provisions		-	-
<b>(4) Current Liabilities</b>			
a) Short-Term Borrowings	4	4,470.00	4,22,931.00
b) Trade Payables	5	2,108.00	35,400.00
c) Other Current Liabilities			20,000.00
d) Short-Term Provisions	6	1,84,000.00	-
<b>TOTAL</b>		<b>9,17,084.65</b>	<b>10,70,624.63</b>
<b>II] ASSETS</b>			
<b>(1) Non Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Property, Plant and Equipment	7	4,03,511.45	4,46,160.00
(ii) Intangible Assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under Development		-	-
(b) Non-Current Investments		-	-
(c) Deffered tax Assets (Net)		-	-
(d) Long-term loans & Advances		-	-
(e) Other non-Current assets		-	-
<b>(2) Current Assets</b>			
(a) Current Investments			-
(b) Inventories	8	3,68,275.72	15,665.00
(c) Preliminary Exp	9	8,000.00	16,000.00
(d) Cash & Cash equivalents	10	1,37,297.48	5,92,799.63
(e) Short-term loans and advances		-	-
(f) Other current assets		-	-
<b>TOTAL</b>		<b>9,17,084.65</b>	<b>10,70,624.63</b>

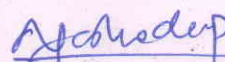
1 to 22

Notes on Financial Statements

Notes referred to above form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

For M/s KBPS AND CO  
Chartered Accountants  
F.R.N.: 121529W



CA Yashodeep Bafna  
Partner

M No. 154608

Place : Aurangabad

Date : 14.09.2022

UDIN:- 22154608ASDYPF3977



For & On Behalf of the Board  
Matoshri Babai Producer Company Limited



DWARKABAI MANGATE  
(Director)

DIN NO - 8066150



SULOCHANA SHELKE  
(Director)

DIN NO - 8066213



Matoshri Babai Producer Company Limited

GAT NO.472, AT WAKAD

DIST. AURANGABAD - 431007

Statement of Profit & Loss for the period ended 31st March, 2022

(Amount in Rs.)

No.	Particulars	Note No.	As on 31.03.2022	As on 31.03.2021
	<b>Income :</b>			
I	Revenue from Operations	11	30,05,601.00	14,98,900.00
II	Other Income		-	-
III	<b>Total Revenue (I+II)</b>		<b>30,05,601.00</b>	<b>14,98,900.00</b>
	<b>Expenses :</b>			
IV	Cost of Materials Consumed	12	27,67,508.00	9,39,825.00
	Change in Inventory	13	(3,52,610.57)	1,69,310.85
	Bank Charges & Commision	14	2,832.00	1,383.00
	Depreciation		42,648.55	18,292.00
	Other Expenses	15	4,11,010.00	3,33,061.00
	<b>Total Expenses (IV)</b>		<b>28,71,387.98</b>	<b>14,61,871.85</b>
V	<b>Profit Before Exceptional and Extraordinary Items and Tax</b>		<b>1,34,213.02</b>	<b>37,028.15</b>
VI]	Exceptional Items		-	-
VII]	<b>Profit Before Extraordinary Items and Tax</b>		<b>1,34,213.02</b>	<b>37,028.15</b>
VIII]	Extraordinary Items		-	-
IX]	<b>Profit Before Tax</b>		<b>1,34,213.02</b>	<b>37,028.15</b>
X]	<b>Tax Expenses</b>			
	1) Current Tax		-	4,700.00
	2) Deferred Tax Charge/(Credit)		2,446.34	12,047.00
	3) Deferred Tax Prior Period		-	-
	<b>Total [X]</b>		<b>2,446.34</b>	<b>16,747.00</b>
XI]	<b>Profit / (Loss) for the period from Continuing</b>		<b>1,31,766.68</b>	<b>20,281.15</b>
XII]	<b>Profit / (Loss) for the period from Discontinuing</b>			
XIII]	<b>Tax Expenses of Discontinuing Operations</b>			
XIV]	<b>Profit / (Loss) for the period from Discontinuing</b>			
XV]	<b>Profit / (Loss) for the period</b>		<b>1,31,766.68</b>	<b>20,281.15</b>
XVI]	<b>Earning Per Equity Share</b>			
	1) Basic		13.18	2.03
	2) Diluted		-	-

Notes on Financial Statements

1 to 22

Notes referred above, forms an integral part of Statement of Profit & Loss.

This Statement of Profit & Loss referred to, as in our report of even date.

For M/s KBPS AND CO

Chartered Accountants

F.R.N.: 121529W

CA Yashodeep Bafna  
Partner

M No. 154608

Place : Aurangabad

Date : 14.09.2022

UDIN:- 22154608ASDYPF3977



For & On Behalf of the Board  
Matoshri Babai Producer Company Limited

श्री. दशरथ मंगते  
DWARKABAI MANGATE  
(Director)

DIN NO - 8066150

शुलोचना शेल्के  
SULOCHANA SHELKE  
(Director)

DIN NO - 8066213



Matoshri Babai Producer Company Limited

GAT NO.472, AT WAKAD

DIST. AURANGABAD - 431007

Notes on Financial Statements for the period ended on 31.03.2022

Note: 1 Share Capital

(Amount in Rs. )

Sr No.	Particulars	31.03.2022	31.03.2021
1	Capital		
I)	Authorised Capital - Equity Shares 100,000 Equity Shares of Rs.10 Each	10,00,000.00	10,00,000.00
II)	Issued, Subscribed & Paid Up Capital 56,200 Equity Shares of Rs.10 each as fully paid up	5,62,000.00	5,62,000.00
	<b>Total</b>	<b>5,62,000.00</b>	<b>5,62,000.00</b>

1.1 The details of shareholders holding more than 5% shares:

Sr No.	Name of the Share holders	31.03.2022	31.03.2021
		-	-
		-	-
	<b>Total</b>	<b>-</b>	<b>-</b>

1.2 Reconciliation of Outstanding Shares

Sr No.	Particulars	31.03.2022	31.03.2021
		No. of Share	No. of Share
	Authorised Share Capital	1,00,000.00	1,00,000.00
	Less : Issued, Subscribed & Paid Up Share Capital Fully Paid up	56,200.00	56,200.00
	<b>Shares Available for Allotment</b>	<b>43,800.00</b>	<b>43,800.00</b>

Note: 2 Reserves & Surplus

Sr No.	Particulars	31.03.2022	31.03.2021
1	Profit & Loss A/c		
	Opening Balance	18,246.63	(2,034.52)
	Add: Net Surplus / (Deficit) for the year	1,31,766.68	20,281.15
	Closing Balance	<b>1,50,013.31</b>	<b>18,246.63</b>
	<b>Total</b>	<b>1,50,013.31</b>	<b>18,246.63</b>

Note: 3 Deffered Tax Liabilities (Net)

Sr No.	Particulars	31.03.2022	31.03.2021
	Opening Balance	12,047.00	-
	Add: Current year	2,446.34	12,047.00
	<b>Total</b>	<b>14,493.34</b>	<b>12,047.00</b>

Note:4 Short-Term Borrowings

Sr No.	Particulars	31.03.2022	31.03.2021
1	Samunnati finance	-	4,22,931.00
2	Bablu Mangate- Unsecured loans	4,470.00	
	<b>Total</b>	<b>4,470.00</b>	<b>4,22,931.00</b>



**Note:5 Trade Payables**

Sr No.	Particulars	31.03.2022	31.03.2021
1	Sundry creditors	2,108.00	35,400.00
	<b>Total</b>	<b>2,108.00</b>	<b>35,400.00</b>

**Note:6 Short-Term Provisions**

Sr No.	Particulars	31.03.2022	31.03.2021
1	Audit Fees Payable	10,000.00	20,000.00
2	Punit Shah	12,000.00	
3	Salary Payable	1,62,000.00	
	<b>Total</b>	<b>1,84,000.00</b>	<b>20,000.00</b>

**Note:7 Fixed asstes**

Sr No.	Particulars	31.03.2022	31.03.2021
	<u>Property, Plant and Equipment</u>		
1	Building Shed	2,06,977.45	2,17,871.00
2	Plant & Machinery	1,96,534.00	2,28,289.00
	<b>Total</b>	<b>4,03,511.45</b>	<b>4,46,160.00</b>

**Note:8 Inventories**

Sr No.	Particulars	31.03.2022	31.03.2021
	<u>Stock in trade</u>		
1	Valued at cost or Net realisable Value whichever is low	3,68,275.72	15,665.00
	<b>Total</b>	<b>3,68,275.72</b>	<b>15,665.00</b>

**Note: 9 Preliminary Expenses**

Sr No.	Particulars	31.03.2022	31.03.2021
1	Preliminary Expenses	8,000.00	16,000.00
	<b>Total</b>	<b>8,000.00</b>	<b>16,000.00</b>

**Note:10 Cash & Cash Equivalents**

Sr No.	Particulars	31.03.2022	31.03.2021
1	<u>Balances with Banks</u>		
	Bank of Maharashtra	31,035.48	19,538.63
2	<u>Cash in Hand</u>	1,06,262.00	5,73,261.00
	<b>Total</b>	<b>1,37,297.48</b>	<b>5,92,799.63</b>

**Note: 11 Revenue from Operations**

Sr No.	Particulars	31.03.2022	31.03.2021
1	Sales of Product/Finished Goods	30,05,601.00	14,98,900.00
	<b>Total</b>	<b>30,05,601.00</b>	<b>14,98,900.00</b>



**Note:12 Cost of Materials Consumed**

Sr No.	Particulars	31.03.2022	31.03.2021
1	Purchases	27,67,508.00	9,39,825.00
	<b>Total</b>	<b>27,67,508.00</b>	<b>9,39,825.00</b>

**Note:13 Change in Inventory**

Sr No.	Particulars	31.03.2022	31.03.2021
	Opening Inventory	15,665.15	1,84,976.00
	Closing Inventory	3,68,275.72	15,665.15
	<b>Total</b>	<b>(3,52,610.57)</b>	<b>1,69,310.85</b>

**Note:14 Finance cost**

Sr No.	Particulars	31.03.2022	31.03.2021
1	Bank Charges	2,832.00	1,383.00
	<b>Total</b>	<b>2,832.00</b>	<b>1,383.00</b>

**Note:15 Other Expenses**

Sr No.	Particulars	31.03.2022	31.03.2021
1	Loan Processing Charges	-	12,821.00
2	Printing & Stationery	18,000.00	16,000.00
3	Office Exp	-	9,010.00
4	Company Promotion	12,000.00	9,890.00
5	Discount	-	1,184.00
6	Electricity bill	4,470.00	2,950.00
7	Meeting Expenses	-	7,000.00
8	Hamali	-	2,275.00
9	Hotel & Travelling exp	56,140.00	52,700.00
10	Salary Exp	2,37,600.00	60,000.00
11	Professional Fees	16,800.00	11,800.00
12	Audit Fees	10,000.00	10,000.00
13	Preliminary expenses	8,000.00	8,000.00
14	Interest on loan	-	1,29,431.00
15	Rent	36,000.00	-
16	Account Writing Fees	12,000.00	-
	<b>Total</b>	<b>4,11,010.00</b>	<b>3,33,061.00</b>

16 Estimated Contractual liability on account of Capital Commitment & Contingent Liability - NIL

**17 Related Party Transactions**

As per Accounting Standard 18 "Related Party Disclosures" , issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below.

**17.1 Name of Related Parties :****Key Management Personnel :**

DWARKABAI MANGATE

DIN: 8066150

SULOCHANA SHELKE

DIN: 8066213



18 Particulars of the Company

CIN	U01100MH2018PTC305000
Registration No.	305000
Date of incorporation	12-02-18
Nature of Business	Farmer Producer co.
PAN	AALCM6097M

Significant Accounting Policies

- 19 Previous years figures have been regrouped/reclassified, wherever necessary to conform to the current year presentation.
- 20 Balances of Loans, Advances & Unsecured Loans, etc. are subject to confirmation and reconciliation, if any.
- 21 No sitting fees has been paid to any Directors of the Company.
- 22 The Company has not provided / paid interest as applicable u/s 23 of The Micro, Small and Medium Enterprises Development Act, 2006

01] Method of Accounting

The accounts of the Company are prepared in accordance with the accounting principles generally accepted in India. The company has maintained its accounts on mercantile system of accounting.

02] Basis for preparation of Financial Statements

The financial statements have been prepared under the historical cost conventions in accordance with generally accepted accounting principles. Accounting policies not specifically referred to otherwise are consistent and in accordance with generally accepted accounting principles.

03] Revenue Recognition :

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer.

04] Preliminary Expenses :

Preliminary expenses have been accounted for during the year and has been written off to the extent of 20% in the books of accounts.

05] Current Assets, Loans & Advances :

In the opinion of management, value of all Current Assets, Loans & Advances, other realizable are not less than their realizable value in the ordinary cause of business.

06] Balance sheet date

- a] No such liabilities were noticed which are contingent in nature.
- b] There are no such events occurred after the Balance sheet date which will have bearing on profitability and / or State of Affairs of the company.

For M/s KBPS AND CO  
Chartered Accountants  
F.R.N.: 121529W

CA Yashodeep Bafna  
Partner

M No. 154608

Place : Aurangabad

Date : 14.09.2022

UDIN:- 22154608ASDYPF3977



For & On Behalf of the Board  
Matoshri Babai Producer Company Limited

*(Signature)*

DWARKABAI MANGATE  
(Director)  
DIN NO - 8066150

*(Signature)*

SULOCHANA SHELKE  
(Director)

DIN NO - 8066213



**“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Matoshri Babai Producer Company Limited**

**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 **Matoshri Babai Producer Company Limited** (“the Company”) as of March 31, 2022 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. 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 the 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 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, 2022, 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.

Place : Aurangabad

Date : 14.09.2022

For M/s KBPS AND CO  
Chartered Accountants  
F.R.N.: 121529W



*Yashodeep Bafna*  
CA Yashodeep Bafna  
Partner

M No. 154608

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