



## **INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF  
WORLD SKILL CENTER**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

### **OPINION**

We have audited the accompanying financial statements of **WORLD SKILL CENTER** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Income & Expenditure Account and statement of Cash Flows for the year then ended, and notes to the financial statements, including 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 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its income and expenditure and cash flows 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 Act and the rules there under, 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.

### **EMPHASIS OF MATTER**

We draw attention to Note No 6.1 of financial statements, which states that the company has not yet enrolled for GST TDS registration during the period under audit and has initiated the process of registration and will do necessary compliance after the grant of registration. The company has deducted GST TDS amounting to Rs 260.95 (in Rs '000) but the same couldn't



be deposited due to non-availability GST TDS registration. Additionally, the GST TDS compliance was done only during the month of March 2023 and not for the whole financial year under audit. Our opinion is not modified in respect of this matter.

We draw attention to Note No 8.1 of financial statements, wherein the company has received capital assets of Rs. 6,99,776.78 (in Rs '000) in the current financial year from Odisha Skill Development Authority as a part of capital grant and the same amount has been transferred to Capital Reserve. However, the transfer of ownership of assets from OSDA has not been properly documented. Also, no independent third-party verification of such fixed assets has been carried out. Our opinion is not modified in respect of this matter.

We draw attention to Note No 17.1 of financial statements, which states that the company has not made any employer's contribution to the provident fund. The company already has provident fund registration, but due to pendency of finalization of pay structure, compliance of provident fund has been deferred from company's end. Our opinion is not modified in respect of this matter.

#### **KEY AUDIT MATTERS**

Key audit matters are those matters that, in our professional judgment, 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 our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

#### **OTHER MATTER**

The company has not complied with the provisions of Professional tax, Employee State Insurance during the period under audit.

The company is operating from building Tower 2010 handed over from Odisha Skill Development Authority (OSDA). However, the building doesn't have Fire Safety certificate in place.

#### **INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' 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 Board's Report including Annexures to Board's Report, Business Responsibility Report 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 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 FINANCIAL STATEMENTS**

The Company's Board of Directors are 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 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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. The board of directors are also responsible for overseeing the Company's financial reporting process.

#### **AUDITORS' RESPONSIBILITY 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 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.

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 the company is licensed to operate under Section 8 of the Companies Act, 2013, the requirements of reporting under the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act are not applicable to the Company as per sub-clause (iii) of paragraph 2 of the said Order.
2. In compliance to directions of the Comptroller and Auditor General of India u/s 143(5) of the Act, we give in Annexure "A" to this report a statement on the matters specified therein.
3. 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) Section 164(2) of the Act regarding disqualification of directors is not applicable to the Company by virtue of Notification No. G.S.R. 463(E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Government of India;
  - f) Since the Company's turnover as per last audited financial statements is less than Rs. 50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs. 25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017;
  - g) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, the limit prescribed by section 197 for maximum permissible managerial remuneration is not applicable to the Company by virtue of Notification No. G.S.R. 463(E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Govt. of India; and
  - h) With respect to the other matters to be included in the Auditors' 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 will impact on its financial position;
- 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.
- iv. a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on 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 it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on 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 audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.



For **GOUTAM & CO**  
Chartered Accountants  
(Firm Registration No. 326869E)

*Goutam Lenka*

**CA GOUTAM LENKA**  
Partner  
(Membership No. 067906)  
UDIN -23067906BGYEDT3615

BHUBANESWAR  
25 July, 2023





# ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

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

Report on the directions under section 143(5) of the Companies Act, 2013 by the Comptroller & Auditor General of India

Directions u/s 143(5) of the Act	Auditors' reply on action taken on the directions	Impact on Standalone Financial Statements
<b>A. General directions</b>		
1. Whether the company has system in place to process all the accounting transactions through IT systems? If yes, the implication of processing of accounting transactions outside IT system on the integrity of accounts along with financial implications, if any may be stated.	As per the information and explanations given to us, the Company has a system in place to process all the accounting transactions through IT system, except for payroll and Fixed Assets. The Company is maintaining its accounts in Tally Prime with ERP.  Based on the information and explanations given to us and audit procedures carried out, no accounting transactions have been processed or carried outside the IT system. Therefore, there are no implications on the integrity of the accounts.	NIL
2. Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case lender is a Government company, then this direction is also applicable for statutory auditor for lender	Based on the information and explanations given to us and audit procedures carried out, there are no restructuring of any existing loan or cases of waiver/write off of debts/loans/interest made by a lender to Company due to the Company's inability to repay the loan.	NIL





Directions u/s 143(5) of the Act	Auditors' reply on action taken on the directions	Impact on Standalone Financial Statements
company).		
3. Whether funds (grants/subsidy etc.) received/receivable for specific schemes from central/state Government or its agencies were properly accounted for/utilised as per its term and conditions? List the cases of deviation.	Based on the information and explanations given to us and audit procedures carried out, the grants received from state government has been properly accounted for/utilised as per the terms and conditions.	NIL
<b>B. Company/Sector specific sub-direction</b>		
1. Examine the system of effective utilisation of Loans/Grant-in-Aid/Subsidy. List the cases of diversion of funds.	Based on the information and explanations given to us and audit procedures carried out, the grants received from state government has been properly accounted for/utilised as per the terms and conditions. Grants received from Odisha Skill Development Authority (OSDA) is recognised as revenue to the extent of actual utilisation during the year.  There have been no cases of diversion of funds.	NIL
2. If the audited entity has computerised its operations or part of it, asses and report, how much of data in the company is in electronic format, which of the area such as accounting, sales personnel information, pay roll, inventory etc. have been computerized and the company has evolved proper security policy for data/software/hardware?	Based on the information and explanations given to us and audit procedures carried out, the company has computerised it's accounting process and is maintaining its accounts in Tally Prime with ERP. However, payroll and fixed assets have not yet been processed through any software but are maintained in Microsoft Excel.  Data and software are protected through passwords and the company has approved an IT policy in it's board meeting dated 28 June 2021.	NIL



For **GOUTAM & CO**  
Chartered Accountants  
(Firm Registration No. 326869E)

*Goutam Lenka*

**CA GOUTAM LENKA**  
Partner  
(Membership No. 067906)  
UDIN -23067906BGYEDT3615

BHUBANESWAR  
25 July, 2023

