

(REPORT)

TAX AUDIT

Name : **EVEREST CONSTRUCTION**

Address :

Year : **FY 2016-17**



Vora & Kathiriya
Chartered Accountants

103, Shivalik - 7, Near Satyavijay Ice-cream, Gondal Road, Rajkot-360 002.
Ph.: 0281-3012103, E-mail : voraandkathiriya@gmail.com



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FORM NO. 3CB

[See rule 6G(1)(b)]

Audit report under section 44AB of the Income-tax Act, 1961, in the case of a person referred to in clause(b) of sub-rule(1) of rule 6G

1. We have examined the Balance Sheet as on 31st March, 2017 and the Profit and loss account for the period beginning from 01/04/2016 to ending on 31/03/2017 attached herewith, of

EVEREST CONSTRUCTION

SURVEY NO - 43/1 PLOT NO - 131 VAVDI INDUSTRIAL ESTATE B/H.GAJJAR BODY BILDER RAJKOT : 360004

PAN AADFE5189M

2. We certify that the Balance Sheet and the Profit and loss account are in agreement with the books of account maintained at the head office at RAJKOT and 0 branches.

3. (a) We report the following observations/comments/discrepancies/inconsistencies; if any

(b) Subject to above-

- (A) We have obtained all the information and explanations which, to the best of Our knowledge and belief, were necessary for the purposes of the audit
- (B) In Our opinion, proper books of account have been kept by the head office and branches of the assessee so far as appears from Our examination of the books
- (C) In Our opinion and to the best of Our information and according to the explanations give to Us, the said accounts, read with notes thereon, if any, give a true and fair view
- (i) In the case of the balance sheet, of the state of the affairs of the assessee as at 31st March, 2017; and
- (ii) In the case of the Profit and loss account, of the Loss of the assessee for the year ended on that date.

4. The statement of particulars required to be furnished u/s.44AB is annexed herewith in Form No.3CD

5. In Our opinion and to the best of Our information and according to explanations given to Us, the particulars given in the said Form No.3CD and the Annexure thereto are true and correct. Subject to following observations/qualifications, if any

SN	Qualification Type	Observations/Qualifications
1	Others	Last year closing balance of some partner and stock was taken wrong by mistake, which was corrected in current by journal entry.

VORA & KATHIRIYA
Chartered Accountants



Mohit

MOHIT M. KATHIRIYA
PARTNER

Mem.No.: 145724

FRN No.: 134253W

Place RAJKOT

Date 10/10/2017

Everest Construction

[Signature]
Partner

VORA & KATHIRIYA

Chartered Accountants

103, SHIVALIK-7, NR. SATYA VIJAY ICE-CREAM, GONDAL ROAD, RAJKOT RAJKOT : 360002

Phone: 0281 - 2373103, Email: voraandkathiriya@gmail.com

FORM NO. 3CD

[See rule 6G(2)]

Statement of particulars required to be furnished under section 44AB of the Income-tax Act, 1961

PART-A

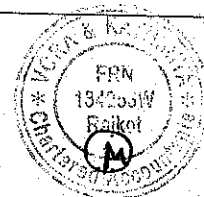
01	Name of the assessee	EVEREST CONSTRUCTION
02	Address	SURVEY NO - 43/1 PLOT NO - 131 VAVDI INDUSTRIAL ESTATE B/H.GAJJAR BO... BILDER RAJKOT : 360004
03	Permanent Account Number	AADFE5189M
04	Whether the assessee is liable to pay indirect tax like excise duty, service tax, sales tax, custom duty, etc. If yes, please furnish the registration number or any other identification number allotted for the same.	As Per Annexure-A
05	Status	Partnership Firm
06	Previous Year From	01/04/2016 to 31/03/2017
07	Assessment Year	2017-18
08	Indicate the relevant clause of section 44AB under which the audit has been conducted	Clause 44AB(e)- Profits and gains lower than deemed profit u/s 44AD

PART-B

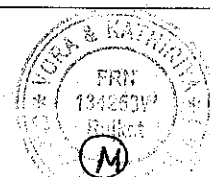
09	a) In firm or association of persons, indicate names of partners/members and their profit sharing ratios In case of AOP, whether shares of members are indeterminate or unknown ?	Name of Partners/Members		Ratio (%)
		ASHWINBHAI L. SORATHIYA		10%
		HANSABEN A. SORATHIYA		10%
		JAYSUKHBHAI B. KHAPARA		10%
		KAMLESHBHAI B. KHAPARA		10%
		LAXMANBHAI D. SORATHIYA		10%
		MADHUBEN R. SORATHIYA		10%
		PRAVINBHAI CHHAGANBHAI THUMAR		10%
		RAJESHBHAI L. SORATHIYA		10%
		USHABEN P. THUMMAR		10%
VARSHABEN J. KHAPARA		10%		
10	a) Nature of business or profession (If more than one business or profession is carried on during the previous year, nature of every business or profession)	No Change		
		Code	Sub-sector	Sector
	b) If there is any change in the partners or members or in their profit sharing ratio since the last date of the preceding year, the particulars of such change	0401	BUILDERS	BUILDERS
11	a) Whether books of account are prescribed u/s.44AA ? If yes, list of books so prescribed	No Change		
		No		

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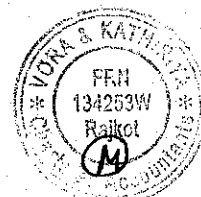
Partner



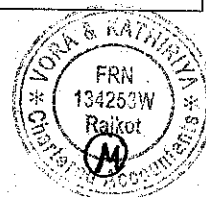
b)	List of books of account maintained and the address at which the books of accounts are kept. (In case books of account are maintained in a computer system, mention the books of account generated by such computer system. If the books of accounts are not kept at one location, please furnish the addresses of locations along with the details of books of accounts maintained at each location.)	Cash Book, Bank Book, Ledger, Journal Register, Sales Register, Purchase Register Address: NAVRANG PARA, MAVDI PLOT, RAJKOT
c)	List of books of account and nature of relevant documents examined	Cash Book, Bank Book, Ledger, Journal Register, Sales Register, Purchase Register (All books are computerised)
12	Whether the profit and loss account includes any profits and gains assessable on presumptive basis, if yes, indicate the amount and the relevant section (44AD, 44AE, 44AF, 44B, 44BB, 44BBA, 44BBB, Chapter XII-G, First Schedule or any other relevant section.)	No
13	a) Method of accounting employed in the previous year	Mercantile system
	b) Whether there has been any change in the method of accounting employed vis-a-vis the method employed in the immediately preceding previous year ?	There is no change in the method of accounting during the year
	c) If answer to (b) above is in the affirmative, give details of such change, and the effect thereof on the profit or loss	Not Applicable
	d) Whether any adjustment is required to be made to the profits or loss for complying with the provisions of income computation and disclosure standards notified u/s.145(2)	No
	e) If answer to (d) above is in the affirmative, give the details of such adjustments	No
	f) Disclosure as per ICDS	As Per Annexure-B
14	a) Method of valuation of closing stock employed in the previous year	At Cost or Market Price whichever is less
	b) In case of deviation from the method of valuation prescribed under section 145A, and the effect thereof on the profit or loss, please furnish	No
15	Give the following particulars of the capital asset converted into stock-in-trade:-	Not Applicable as no capital assets are converted into stock in trade during the year
16	Amount not credited to the profit and loss account, being	
	a) The items falling within the scope of section 28	Nil
	b) The performa credits, drawbacks, refund of duty of customs or excise or service tax, or refund of sales tax or value added tax, were such credits, drawbacks or refunds are admitted as due by the authorities concerned	Nil
	c) Escalation claims accepted during the previous year	Nil



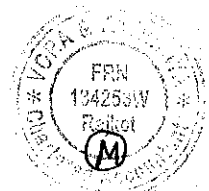
	d) Any other item of income	Nil
	e) Capital receipt, if any	Nil
17	Where any land or building or both is transferred during the previous year for a consideration less than value adopted or assessed or assessable by any authority of a State Government referred to in section 43CA or 50C, please furnish	No
18	Particulars of depreciation allowable as per the Income Tax Act, 1961 in respect of each asset or block of assets, as the case may be, in the following form	Nil
19	Amount admissible under section 33AB, 33ABA, 33AC, 35, 35ABB, 35AC, 35CCA, 35CCB, 35D, 35DD, 35DDA, 35E	Nil
20	a) Any sum paid to an employee as bonus or commission for services rendered, where such sum was otherwise payable to him as profits or dividend [Section 36(1)(ii)]	Nil
	b) Details of contributions received from employees for various funds as referred to in section 36(1)(va)	Nil
21	a) Please furnish the details of amounts debited to the profit and loss account, being in the nature of capital, personal, advertisement expenditure etc	
	1 Capital expenditure	Nil
	2 Personal expenditure	Nil
	3 Advertisement expenditure in any souvenir, brochure, tract, pamphlet or the like published by a political party	Nil
	4 Expenditure incurred at clubs being entrance fees and subscriptions	Nil
	5 Expenditure incurred at clubs being cost for club services and facilities used	Nil
	6 Expenditure by way of penalty or fine for violation of any law for the time being force	Nil
	7 Expenditure by way of any other penalty or fine not covered above	Nil
	8 Expenditure incurred for any purpose which is an offence or which is prohibited by law	Nil
	b) Amounts inadmissible under section 40(a)	
	i as payment to non-resident referred to in sub-clause (i)	
	A Details of payment on which tax is not deducted	Nil
	B Details of payment on which tax has been deducted but has not been paid during the previous year or in the subsequent year before the expiry of time prescribed u/s.200(1)	Nil
	ii as payment referred to in sub-clause (ia)	



A	Details of payment on which tax is not deducted	As Per Annexure-C
B	Details of payment on which tax has been deducted but has not been paid on or before the due date specified in sub-section (1) of section 139	Nil
iii	fringe benefit tax under sub-clause (ic)	Nil
iv	wealth tax under sub-clause (iia)	Nil
v	royalty, license fee, service fee etc. under sub-clause (iib)	Nil
vi	salary payable outside India/to a non resident without TDS etc. under sub-clause (iii)	Nil
vii	payment to PF /other fund etc. under sub-clause (iv)	Nil
viii	tax paid by employer for perquisites under sub-clause (v)	Nil
c)	Amounts debited to profit and loss account being, interest, salary, bonus, commission or remuneration inadmissible under section 40(b)/40(ba) and computation thereof	As Per Annexure-D
d)	Disallowance/deemed income under section 40A(3)	
A	On the basis of the examination of books of account and other relevant documents/evidence, whether the expenditure covered under section 40A(3) read with rule 6DD were made by account payee cheque drawn on a bank or account payee bank draft. If not, please furnish the details	Yes
B	On the basis of the examination of books of account and other relevant documents/evidence, whether the payment referred to in section 40A(3A) read with rule 6DD were made by account payee cheque drawn on a bank or account payee bank draft If not, please furnish the details of amount deemed to be the profits and gains of business or profession under section 40A(3A)	Yes
e)	Provision for payment of gratuity not allowable under section 40A(7)	Nil
f)	Any sum paid by the assessee as an employer not allowable under section 40A(9)	Nil
g)	Particulars of any liability of a contingent nature	Nil
h)	Amount of deduction inadmissible in terms of section 14A in respect of the expenditure incurred in relation to income which does not form part of the total income	Nil
i)	Amount inadmissible under the proviso to section 36(1)(iii)	Nil



22	Amount of interest inadmissible under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil
23	Particulars of any payment made to persons specified under section 40A(2)(b)	As Per Annexure-E
24	Amounts deemed to be profits and gains under section 32AC or 33AB or 33ABA or 33AC	Nil
25	Any amount of profit chargeable to tax under section 41 and computation thereof	Nil
26	i In respect of any sum referred to in clause (a),(b),(c),(d),(e) or (f) of section 43B, the liability for which	
	A pre-existed on the first day of the previous year but was not allowed in the assessment of any preceeding previous year and was	
	a) paid during the previous year	Nil
	b) not paid during the previous year	Nil
	B was incurred in the previous year and was	
	a) paid on or before the due date for furnishing the return of income of the previous year under section 139(1)	As Per Annexure-F
	b) not paid on or before the aforesaid date	Nil
	c) State whether sales tax, customs duty, excise duty or any other indirect tax, levy, cess, impost, etc., is passed through the profit and loss account	No
27	a) Amount of Central Value Added Tax credits availed of or utilised during the previous year and its treatment in the profit and loss account and treatment of outstanding Central Value Added Tax credits in the accounts	No
	b) Particulars of income or expenditure of prior period credited or debited to the profit and loss account	Nil
28	Whether during the previous year the assessee has received any property, being share of a company not being a company in which the public are substantially interested, without consideration or for inadequate consideration as referred to in section 56(2)(viii) if yes, please furnish the details of the same	Not Applicable
29	Whether during the previous year the assessee received any consideration for issue of shares which exceeds the fair market value of the shares as referred to in section 56(2)(viib) if yes, please furnish the details of the same	Not Applicable
30	Details of any amount borrowed on hundi or any amount due thereon (including interest on the amount borrowed) repaid, otherwise than through an account payee cheque. (Section 69D)	Nil



31	a)	Particulars of each loan or deposit in an amount exceeding the limit specified in section 269SS taken or accepted during the previous year	As Per Annexure-G
	b)	Particulars of each specified sum in the amount exceeding the limit specified in section 269SS taken or accepted during the previous year	Nil
	c)	Particulars of each repayment of loan or deposit or any specified advance in the amount exceeding the limit specified in section 269T made during the previous year	Nil
	d)	Particulars of repayment of loan or deposit or any specified advance in the amount exceeding the limit specified in section 269T received otherwise than by a cheque of bank draft or use of electronic clearing system through a bank account during the previous year	Nil
	e)	Particulars of repayment of loan or deposit or any specified advance in the amount exceeding the limit specified in section 269T received by a cheque of bank draft which is not an account payee cheque or account payee bank draft during the previous year	Nil
32	a)	Details of brought forward loss or depreciation allowance, in the following manner, to the extent available	Nil
	b)	Whether a change in share holding of the company has taken place in the previous year due to which the losses incurred prior to the previous year cannot be allowed to be carried forward in terms of section 79	Not Applicable
	c)	Whether the assessee has incurred any speculation loss referred to in section 73 during the previous year If yes, please furnish the details of the same	No
	d)	Whether the assessee has incurred any loss referred to in section 73A in respect of any specified business during the previous year If yes, please furnish details of the same	No
	e)	In case of a company, please state that whether the company is deemed to be carrying on a speculation business as referred in explanation to section 73. If yes, please furnish the details of speculation loss if any incurred during the previous year	No
33		Section-wise details of deductions, if any admissible under Chapter VIA or Chapter III (Section 10A, Section 10AA)	Nil
34	a)	Whether the assessee is required to deduct or collect tax as per the provisions of Chapter XVII-B or Chapter XVII-BB, if yes please furnish	As Per Annexure-H



b)	Whether the assessee has furnished the statement of tax deducted or tax collected within the prescribed time If not, please furnish the details	Not Applicable
c)	Whether the assessee is liable to pay interest under section 201(1A) or section 206C(7) If yes, please furnish	No
35 a)	In the case of a trading concern, give quantitative details of principal items of goods traded	Nil
b)	In the case of manufacturing concern, give quantitative details of the principal items of raw materials, finished products and by-products	
A	Raw materials	As Per Annexure-I
B	Finished products	As Per Annexure-J
C	By-products	Nil
36	In the case of Domestic Company, details of tax on distributed profits under section 115-O in the following forms	Not Applicable
37	Whether any cost audit was carried out? If yes, give the details, if any, of disqualification or disagreement on any matter/item/value/quantity as may be reported/identified by the cost auditor	Not Applicable
38	Whether any audit was conducted under the Central Excise Act, 1944? If yes, give the details, if any, of disqualification or disagreement on any matter/item/value/quantity as may be reported/identified by the auditor	Not Applicable
39	Whether any audit was conducted under section 72A of the Finance Act, 1994 in relation to valuation of taxable services as may be reported/identified by the auditor? If yes, give the details, if any, of disqualification or disagreement on any matter/item/value/quantity as may be reported/identified by the auditor	No
40	Details regarding turnover, gross profit, etc., for the previous year and preceding previous year	As Per Annexure-K
41	Please furnish the details of demand raised or refund issued during the previous year under any tax laws other than Income-tax Act, 1961 and Wealth tax Act, 1957 alongwith details of relevant proceedings	Nil

For EVEREST CONSTRUCTION

Everest Construction

[Signature]

Partner

Partner

Place RAJKOT

Date 10/10/2017

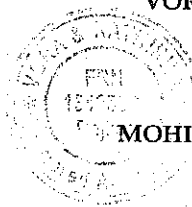
Everest Construction

[Signature]

Partner

VORA & KATHIRIYA

Chartered Accountants



[Signature]

MOHIT M. KATHIRIYA

PARTNER

Mem.No.: 145724

FRN No.: 134253W

(4) Registration number or any other identification number, Whether the assessee is liable to pay indirect tax like excise duty, service tax, sales tax, customs duty etc

(13f) Disclosure as per ICDS

ICDS	Disclosure
ICDS I = Accounting Policies	Accounting policies have been followed as per ICDS I.
ICDS II = Valuation of Inventories	Valuation have been made as per ICDS II.
ICDS III = Construction Contracts	ICDS III is followed.
ICDS IV = Revenue Recognition	Revenue has been recognized as per ICDS IV
ICDS V = Tangible Fixed Assets	Fixed assets are disclosed as per ICDS V
ICDS VII = Governments Grants	No government grant have been received.
ICDS IX = Borrowing Costs	No borrowing cost have been capitalized.
ICDS X = Provisions, Contingent Liabilities/ Assets	Provision have been made as per ICDS X.

(21b)(ii)(A) Details of payment on which tax is not deducted

Annexure-D

(21c) Amounts debited to profit and loss account being, interest, salary, bonus, commission or remuneration inadmissible under section 40(b)/40(ba)

Annexure-E

(23) Particulars of any payment made to persons specified under section 40A(2)(b)

(26i)(B)(a) In respect of any sum referred to in clause (a), (b), (c), (d), (e) or (f) of section 3B, the liability for which paid on or before the due date for furnishing.

Section	Nature of liability	Amount
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Annexure-G

(31a) Particulars of each loan or deposit in an amount exceeding the limit specified in section 269SS taken or accepted during the previous year

Name & Address of the lender or depositor	Permanent Account Number (if available with the assessee) of the lender or depositor	Amount of loan or deposit taken or accepted	Whether the loan/deposit was squared up during the previous year	Maximum amount outstanding in the account at any time during the previous year	Whether the loan or deposit was taken or accepted by cheque or bank draft or use of ECS through a bank account	In case the loan or deposit was taken or accepted by cheque or bank draft, whether the same was taken or accepted by an account payee cheque or an account payee bank draft
Dipakbhai K. Pambhar Raikot	AQXPP9603P	300000	No	300000	Cheque	Account payee cheque

Annexure-H

(34a) Whether the assessee is required to deduct or collect tax as per the provisions of Chapter XVII-B or Chapter XVII-BB, if yes please furnish

Tax deduction and collection Account Number (TAN)	Section	Nature of payment	Total amount of payment or receipt of the nature specified in column (3)	Total amount on which tax was required to be deducted or collected out of (4)	Total amount on which tax was deducted or collected at specified rate out of (5)	Amount of tax deducted or collected out of (6)	Total amount on which tax was deducted or collected at less than specified rate out of (7)	Amount of tax deducted or collected on (8)	Amount of tax deducted or collected not deposited to the credit of the Central Government out of (6) and (8)
RKTE00444D	194C	Payments to contractors	530250	530250	525000	5250		0	0

(35b)(A) Stock of Raw material in case of manufacturing concern

Annexure-I

Item Name	Unit	Opening Stock	Purchase	Consumption	Sales	Closing Stock	Finished Products	% of yield	Shortage / Excess
Work in Progress - Building	107-number	1.00	3.00	1.00	0.00	3.00	0.00	0.00	0.00

(35b)(B) Stock of finished goods / by product

Annexure-J

Item Name	Unit	Opening Stock	Purchase	Goods Mfg	Sales	Closing Stock	Shortage / Excess
Finish Goods - Building	107-number	0.00	0.00	1.00	1.00	0.00	0.00
Plot	107-number	0.00	1.00	0.00	0.00	1.00	0.00

(40) Details regarding turnover, gross profit, etc., for the previous year and preceding previous year

Annexure-K

	Previous Year			Preceding previous Year		
(a) Total turnover of the assessee		4950000			6400000	
(b) Gross profit / Turnover	945052	4950000	19.09 %	731868	6400000	11.44 %
(c) Net profit / Turnover	0	4950000	0.00 %	0	6400000	0.00 %
(d) Stock-in-Trade / Turnover	4747651	4950000	95.91 %	2823575	6400000	44.12 %
(e) Material consumed / Finished goods produced	0	0	0.00 %	0	0	0.00 %

VORA & KATHIRIYA

Chartered Accountants

MOHIT

MOHIT M. KATHIRIYA

PARTNER

Mem.No.: 145724

FRN No.: 134253W

Place RAJKOT

Date 10/10/2017