

Textual information (2)

Disclosure in auditor's report explanatory [Text Block]

Independent Auditor's Report

To the Members of M/s. MK Aromatics Limited

Report on the standalone Financial Statements

Opinion

I have audited the accompanying Standalone financial statements of M/s. MK Aromatics Limited ("the Company") which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss 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 my opinion and to the best of my information and according to the explanations given to me, 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 March 31, 2018, and profit/loss and its cash flows for the year ended on that date.



Basis for Opinion

I conducted my audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am 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 my audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibility of Management 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 of these standalone 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 implementation and maintenance of 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 statement 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

Auditor's Responsibility for the Audit of the Financial Statements

My 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 my 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.

Report on Other Legal and Regulatory Requirements

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, I give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, I report that:

I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.



- a. In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
- b. 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.
- c. In my 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.
- d. On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- e. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate Report in "Annexure B".
- f. 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 my opinion and to the best of my information and according to the explanations given to me:
- i. The Company does not have any pending litigations which would affect its financial position.

- ii. The Company does 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.

B. RAVI KUMAR,

Chartered Accountant

Place: Chennai

Membership No. 206333

Date : 27/08/2018

Annexure A to the Independent Auditors' Report:

The annexure referred to in MY Report of even date to the Members of MK AROMATICS LIMITED for the year ended 31st March 2018. I report that:

- i.
 - a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. As explained to me, fixed assets have been physically verified by the management at reasonable intervals, no material discrepancies were noticed on such verification .
 - c. In my opinion and according to the information and explanations given to me, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption .
- ii. As explained to me, the inventories are physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.
- iii. According to the information and explanations given to me and on the basis of my examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company .
- iv. According to the information and explanations given to me and on the basis of my examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company .
- v. The company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Act or any other relevant provisions of the Companies Act, 2013 and the rules framed there under to the extent notified.
- vi. The Provisions of clause 3(vi) of the order are not applicable to the company and as the respective entities are not covered by the Companies (Cost Records and Audit) Rules, 2014
- vii.

- a. According to the information and explanation given to me and the records of the company examined by me, in my opinion, the Company is generally regular in depositing the undisputed statutory dues, income tax, and service tax, GST, value added tax and other material statutory dues, as applicable, with the appropriate authorities.
- b. There were no undisputed amounts payables in respect of Wealth Tax, Sales Tax, Custom duty, Excise duty, Cess and other material statutory dues in arrears as at 31 March 2018 for a period of more than six months from the date they become payable. The company has not defaulted in repayment of loans or borrowing to a financial institution, bank or Government.
- viii. The company has not raised money by way of initial public offer or further public offer (including debt instruments) and has not obtained term loans.
- ix. The company has not committed any fraud or any fraud on the company by its officers or employees has been noticed or reported during the year.
- x. The provisions of section 197 read with Schedule V to the Companies Act are not applicable to the company
- xi. The company is not the Nidhi Company and the provisions of clause 3(xii) are not applicable to it.
- xii. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- xiii. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xiv. The company has not entered into any non-cash transactions with directors or persons connected with them.
- xv. In my opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.
- xvi.
- a. The company does not have any litigation so as to impact its financial position in its financial statement.
- b. The company does not have any material foreseeable losses on contract including derivative contracts, as required under any law or accounting standards.
- c. There has been any delay in transferring amounts, required to be transferred if any, to the Investor Education and Protection Fund by the company

B. RAVI KUMAR,

Chartered Accountant

Membership No. 206333

Place: Chennai

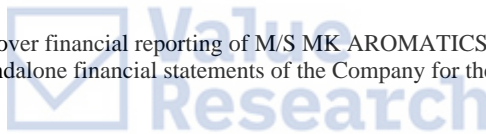
Date : 27/08/2018

Annexure B to the Independent Auditor's Report

The annexure referred to in MY Report of even date to the Members of MK AROMATICS LIMITED for the year ended 31st March 2018.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

I have audited the internal financial controls over financial reporting of M/S MK AROMATICS LIMITED ("the Company") as of March 31, 2018 in conjunction with my 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 31st March 2018.

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

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my 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 I 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 my opinion, to the best of my information and according to the explanation given to me 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 31st March 2018. Based on the internal controls over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note.

B. RAVI KUMAR,

Chartered Accountant

Place: Chennai

Membership No. 206333

Date : 27/08/2018

[700700] Disclosures - Secretarial audit report

Details of signatories of secretarial audit report [Table]

..(1)

Unless otherwise specified, all monetary values are in INR

Signatories of secretarial audit report [Axis]	Column 1
	01/04/2017 to 31/03/2018
Details of signatories of secretarial audit report [Abstract]	
Details of signatories of secretarial audit report [LineItems]	
Category of secretarial auditor	Secretarial auditors firm
Name of secretarial audit firm	Dhanapal & Associates
Name of secretarial auditor signing report	RAMANATHAN
Firms registration number of secretarial audit firm	6665
Membership number of secretarial auditor	6665
Certificate of practice number of secretarial auditor	11084
Address of secretarial auditors	?Suite No.103, First Floor, Kaveri Complex, 96/104, Nungambakkam High Road, (Next to NABARD & ICICI Bank), Nungambakkam, Chennai - 600 034.
Permanent account number of secretarial auditor or secretarial auditors firm	ABTFS9719C
Date of signing secretarial audit report	27/08/2018

Unless otherwise specified, all monetary values are in INR

	01/04/2017 to 31/03/2018
Disclosure in secretarial audit report explanatory [TextBlock]	
Whether secretarial audit report is applicable on company	Yes
Whether secretarial audit report has been qualified or has any observation or other remarks	Yes
Secretarial qualifications or observations or other remarks in secretarial audit report	As per Secretarial Audit Report