

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Gujarat Narmada Valley Fertilizers & Chemicals Limited (the "Company"), which comprise the Balance sheet as at March 31 2020, the Statement of Profit and Loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity 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 standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended (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, 2020, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Standalone Ind AS 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 thereunder, 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 audit opinion on the standalone Ind AS financial statements.

Emphasis of Matter – DOT Demand Notice

We draw attention to Note 43 to the standalone Ind AS financial statements regarding a matter relating to demand of Rs. 16,359.21 Crores on the Company by Department of Telecommunications (DoT) towards Very Small Aperture Terminal ('VSAT') and Internet Service Provider ('ISP') Licenses fee, as explained in detail in the said Note. Based on the legal opinion taken by the Company in the matter and pending outcome of the Company's representation to DOT and based on the Company's assessment of this demand, the Company is of the view that no provision is necessary in respect of this matter. 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 standalone Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

KEY AUDIT MATTERS	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Recognition/de-recognition and measurement of Urea Subsidy Income	
<p>The Urea Subsidy Income is recognized and measured in accordance with notification/ circular/ policies issued by the Department of Fertilizers, Government of India.</p> <p>During the year ended March 31, 2020, the Company has recognized Urea Subsidy Income of Rs 1,362.58 Crores (including Rs. 159.23 Crores pertaining to earlier years towards fixed cost subsidy as disclosed in notes to financial statements) and has outstanding Urea subsidy receivables of Rs 1,093.86 Crores (including Rs 77.69 Crores outstanding for more than one year as at March 31, 2020).</p> <p>The measurement of Urea subsidy Income involves application of relevant regulatory pronouncements and notifications, understanding of applicable energy norms, and estimation / judgement including adjustment at each reporting date in respect of escalation / de-escalation in the prices of inputs, etc. The recognised subsidy income may deviate on account of revision / changes in such interpretation, estimates and judgements.</p> <p>Accordingly, recognition and measurement of subsidy income is determined to be a key audit matter for our audit of Standalone Ind AS financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We assessed the Company's revenue recognition policy for Urea Subsidy Income. • We understood, evaluated and tested, on a sample basis, the design and operating effectiveness of key internal controls over recognition and measurement of Urea Subsidy Income. • We reviewed the relevant regulatory pronouncement in respect of Urea subsidy income and verified, on a sample basis, the claims filed by the Company along-with underlying accounting evidences in respect of such income. • We tested calculations for Urea Subsidy Income and reviewed estimates for escalation / de-escalation by comparing with actual production cost relevant for measurement of subsidy amount. • We reviewed follow-ups made by the Company with the Department of Fertilizers, Government of India and management assessment of recoverability of aged balances. • We tested the collections made during the year as well as subsequent period against such subsidy income recognized by the Company. • We assessed the appropriateness of disclosures in the Standalone Ind AS financial statements in respect of Urea Subsidy Income.
Impairment assessment of Property, plant and equipment used for production of Toluene di-isocyanate (TDI) (as described in Note 49 of the Standalone Ind AS financial statements)	
<p>During the year ended March 31, 2020, the Company has witnessed significant decline in the operating profit margins of Toluene di-isocyanate (TDI) which has affected the financial performance of the Company's chemical segment. These are considered as indicators for impairment by the management for TDI II, Dahej Plant, which is determined to a separate cash generating unit (CGU) for impairment assessment.</p> <p>As at March 31, 2020, the gross and the net carrying values of the property, plant and equipment at TDI II, Dahej Plant is Rs 2,265 Crores and Rs 1,587 Crores, respectively.</p> <p>Management has calculated the recoverable amount for the aforesaid CGU by determining its value in use from the future free cash flows prepared by the management.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We assessed the assumptions made by the management with regard to identification of the Property, plant and equipment used in production of TDI as a separate cash generated unit (identified CGU). • We involved our valuation specialists and evaluated the management's assumptions and estimates used for determining the recoverable amount of the identified CGU, including those relating to long-term growth rates, margins and discount rates. • We reviewed the calculations for the cash flows and agreed relevant data to the budgets and latest forecast provided by the management.

KEY AUDIT MATTERS	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
<p>Significant management estimates and judgements are involved in determining value in use, including key assumptions such as discount rate, product price realisation over a foreseeable future, demand of product and other cost factors.</p> <p>Accordingly, this is determined to be a key audit matter for our audit of Standalone Ind AS financial statements.</p>	<ul style="list-style-type: none"> • We reviewed the sensitivity analysis for key assumptions, with focus on the growth rate, margins and discount rate used in the impairment calculations. • We assessed the appropriateness of the disclosure included in Note 49 of the Standalone Ind AS financial statements.
<p>Valuation of Inventories, including Stores & Spares</p>	
<p>The Company has total inventory of Rs 932.35 Crores which comprises of raw material inventory Rs 191.99 Crores, WIP inventory Rs 84.90 Crores, finished goods inventory Rs 133.62 crores, trading inventory Rs 2.28 crores and stores and spares inventory (including coal) Rs 519.56 crores (net of provision for inventory obsolescence as at March 31, 2020).</p> <p>The Company has stores and spares inventory of Rs 399.85 Crores (excluding coal inventory of Rs 122.20 Crores) as at March 31, 2020. The Company has created a provision of Rs 2.50 Crores against inventory of stores and spares based on evaluation of its usability. The stores and spares inventory have many aged items as well however the management's internal assessment represents the usability of these items in future years and that the value of such items does not require any further impairment / provision to be made as at March 31, 2020.</p> <p>Accordingly, appropriateness of the estimates used to identify the valuation of inventories, including stores and spares is determined to be a key audit matter for our audit of Standalone Ind AS financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We reviewed the management policy for physical verification and the documents related to management's and independent consultant's physical count procedure actually followed during the year. • We understood the management process for assessment of value in use/ net realisable value of inventory and making provision for obsolete inventory, including performing process through third party involvement for the effectiveness of the same. • We reviewed the management's judgement applied in estimating the value of inventory obsolescence for stores & spares, taking into consideration management assessment of the present and future condition of the inventory. • We performed substantive audit procedures that included review of working prepared by the management for valuation of inventories and observed that appropriate allocation of fixed cost and variable cost is done in respect of Finished Goods and Work in Progress which is in lines with prevailing accounting standards. • We have performed Physical verification of inventories as at subsequent date on account of Covid -19 lockdown restrictions during year end and have reviewed necessary roll back procedures. Our procedures did not identify any material exceptions.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

FINANCIAL STATEMENTS

STANDALONE

Responsibilities of Management for the Standalone Ind AS Financial Statements

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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2019. 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 the 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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 standalone Ind AS financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by 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 Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2019;
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 36 to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Ravi Bansal

Partner

Place of Signature: Mumbai

Date: July 10, 2020

Membership Number: 049365

UDIN: 20049365AAAABU9663

ANNEXURE 1 REFERRED TO IN PARAGRAPH ON REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT OF EVEN DATE OF GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LIMITED FOR THE YEAR ENDED MARCH 31, 2020

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company were physically verified by the management pursuant to the program of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given by the management the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company. In respect of immovable properties of land that have been taken on lease and disclosed as property, plant and equipment (note 4) in the financial statements, the lease agreement for two parcels of the leasehold land with an aggregate carrying value of Rs 41.06 crores (Aggregate Gross block of Rs. 43.05 crores) as at March 31, 2020 are yet to be entered in the name of the Company, although the Company is the lessee as per the arrangement.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification. There was no inventory lying with third parties.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced any loans to directors / to a Company in which the director is interest to which provisions of Section 185 of the Companies Act, 2013 apply and hence not commented upon. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Companies Act 2013 in respect of loans and advances given, investment made and guarantees, and securities given have been complied with by the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year. However, in regard to the unclaimed deposits the Company has complied with the provisions of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended).
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of fertilizer and industrial products and for the services provided by the Company. In our opinion prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including provident fund, income-tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount related	Amount involved (Rs. in Crores)	Amount Unpaid* (Rs. in Crores)
Central Excise Act, 1944	Excise Duty	Assistant/ deputy Commissioner	1997-2002	1.93	1.19
		CESTAT, Ahmedabad	2015-2016	0.05	0.05
		Commissioner Appeals, Baroda	2009-2013	119.35	119.35
Central Sales Tax Act, 1994/Gujarat Value Added Tax Act, 2004	Value Added Tax/Central Sales tax	Gujarat Value added Tax tribunal	2006-2007	13.95	13.45
			2007-08	19.06	18.56
		Joint Commissioner, Baroda	2012-13	13.11	6.23
			2014-15	15.62	15.52
Madhya Pradesh VAT Act 2002	Value Added Tax/Central Sales tax	VAT Appellate Authority, Bhopal	2015-16	0.11	0.09
Central Sales Tax Act, 1994/Gujarat Value Added Tax Act, 2004		Deputy Commissioner, Bharuch	2015-16	0.31	0.31
Central Sales Tax Act, 1994		Deputy Commissioner – Lucknow	2016-17	3.30	3.30
The Income Tax Act 1961		Assessing Officer	AY 2018-19	3.00	3.00

* Net of Amount paid under protest

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to banks. The Company did not have any outstanding loans or borrowings dues in respect of financial institutions, government or dues to debenture holders during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud / material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

FINANCIAL STATEMENTS

STANDALONE

- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Ravi Bansal

Partner

Membership Number: 049365

UDIN: 20049365AAAABU9663

Place of Signature: Mumbai

Date: July 10, 2020

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LIMITED

We have audited the internal financial controls over financial reporting of Gujarat Narmada Valley Fertilizers & Chemicals Limited (the "Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements 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 as specified under section 143(10) of the Companies Act, 2013, as amended to the extent 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 with reference to these standalone Ind AS financial statements 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 over financial reporting with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Ind AS Financial Statements

A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements 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 with reference to these standalone Ind AS financial statements 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 With Reference to these Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, 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 with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial statements 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, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2020, 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.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Ravi Bansal

Partner

Membership Number: 049365

UDIN: 20049365AAAABU9663

Place of Signature: Mumbai

Date: July 10, 2020