

Textual information (35)

Disclosure in auditor's report explanatory [Text Block]

INDEPENDENT AUDITOR'S REPORT

To

The Members of Circuit systems (India) Ltd

Ahmedabad

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Circuit systems (India) Ltd ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and 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 (herein referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 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, 2019, and its profit and its 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 Companies Act, 2013 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 opinion.

Information other than the Standalone Financial statements and Auditor's 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 Company's annual 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 standalone 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.

Responsibilities of Management and Those Charged with Governance 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 standalone 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, the Board of Directors 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 the Board of Directors 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 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 scepticism 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.

i.½ 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.

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 Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note no xx to the financial statements;
 - II. The Company did not have any long-term contract including any derivative contract 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
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanation given to us, the remuneration paid by the Company to its directors during the

current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For, Rajendra D Shah & Co.

Chartered Accountants

Firm Registration No. 108363W

Rajendra D Shah

Place: Ahmedabad Proprietor

Date: 29th August, 2019 Membership No. 4844

UDIN: 19004844AAAIB6212



CIRCUIT SYSTEMS (INDIA) LTD

Annexure A to the Independent Auditors' Report

(Refer to paragraph (1) on other Legal and Regulatory Requirements of our report of even date.)

i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

b) In our opinion and according to the information and explanations given to us during the course of the audit, Property, Plant and Equipment have been physically verified by the management at regular intervals, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

c) In our opinion and according to the information and explanations given to us during the course of the audit, title deeds of all immovable properties were in the name of Company.

ii) The company does not have inventories, hence said clause is not applicable.

iii) According to the information and explanations given to us during the course of the audit, the Company has not granted any loans to parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Clause (iii) of paragraph 3 of the order are not applicable to the Company.

iv) In our opinion and according to the information and explanations given to us during the course of the audit, in respect of loans, investments, guarantees and security provisions of section 185 and 186 of Companies Act, 2013 have been complied with.

v) In our opinion and according to the information and explanations given to us during the course of the audit, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the order are not applicable to the Company.

vi) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Companies Act 2013 in respect of activities of the Company. We have broadly reviewed accounts and records of the Company in this connection and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have however, not made detailed examination of the same.

vii)(a) In our opinion and according to the information and explanations given to us during the course of the audit, the Company is generally regular in depositing with appropriate authorities undisputed amount of Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, Goods and service tax and any other statutory dues applicable to it and no undisputed amounts payable were outstanding as at 31st March, 2019 for a period of more than six months from the date they became payable.

(b) There are no disputed duty of which have not been deposited to the concerned authorities as on 31st March, 2019:

viii) In our opinion and according to the information and explanations given to us during the course of the audit, the Company has not defaulted in repayment of dues to financial institutions, banks, and government.

ix) In our opinion and according to the information and explanations given to us during the course of the audit, the company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loan.

x) In our opinion and according to the information and explanations given to us during the course of the audit, we report that no material fraud by the Company and no material fraud on the Company have been noticed or reported during the year.

xi) In our opinion and according to the information and explanations given to us during the course of the audit, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

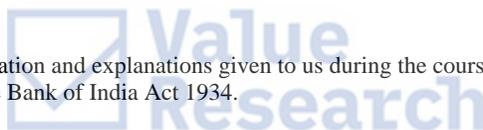
xii) In our opinion and according to the information and explanations given to us during the course of the audit, the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii) In our opinion and according to the information and explanations given to us during the course of the audit, all transactions with the related parties are in compliance with section 188 of Companies Act,2013 and details have been disclosed in the Standalone Financial statements, as required by the applicable Indian accounting standards. The provisions of section 177 of Companies Act, 2013 were not applicable to company.

xiv) In our opinion and according to the information and explanations given to us during the course of the audit, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xv) In our opinion and according to the information and explanations given to us during the course of the audit, the Company has not entered into any non-cash transactions with directors or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

xvi) In our opinion and according to the information and explanations given to us during the course of the audit, the Company is not required to be registered under section 45IA of the Reserve Bank of India Act 1934.



For Rajendra D Shah&Co.

Chartered Accountants

Firm Registration No. 108363W

(Rajendra D Shah)

Place: Ahmedabad Proprietor

Date: 29thAugust, 2019 Membership No.4844

UDIN: 19004844AAAIB6212

CIRCUIT SYSTEMS (INDIA) LTD

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



Opinion

We have audited the internal financial controls over financial reporting of Circuit systems (India) Ltd ("the Company") as of 31stMarch 2019 in conjunction with our audit of the standalonefinancial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31stMarch 2019, based on the internal financial 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.

Management's Responsibility for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

For Rajendra D Shah & Co.

Chartered Accountants

Firm Registration No. 108363W

(Rajendra D Shah)

Place: Ahmedabad Proprietor

Date: 29th August, 2019 Membership No.4844

UDIN: 19004844AAAAIB6212

[400500] Disclosures - Secretarial audit report

Unless otherwise specified, all monetary values are in Lakhs of INR

	01/04/2018 to 31/03/2019
Disclosure in secretarial audit report explanatory [TextBlock]	
Whether secretarial audit report is applicable on company	No
Whether secretarial audit report has been qualified or has any observation or other remarks	No

