

INDEPENDENT AUDITOR'S REPORT

To the Members of Jamna Auto Industries Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Jamna Auto Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS 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

We draw attention to Note 52 to the standalone Ind AS financial statements which, describes the uncertainties and impact of COVID-19 pandemic on the Company's operations and results as assessed by the management. 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
Impact of Corona Virus (COVID-19) on existence of inventory with respect to observation of physical verification (as described in note 52 of the Ind AS financial statements)	
The gross balance of inventories as at March 31, 2020 is INR 12,347.71. Inventories comprise Raw material, Work in progress, Finished products and Stores and spares.	As a part of our audit we have, carried out the following procedures:
The Company has performed an annual physical verification in at all its plant locations. Based on the annual physical verification performed no material discrepancies were noticed by the management.	a) Obtained an understanding of the Company's internal control environment over receipts, consumption and dispatch of inventories including maintenance of stock and financial records.

<p>However, due to restrictions caused by lockdown imposed by Central and State Governments effective March 23, 2020 resulting in restrictions on movement of people from one State to another, we have performed alternate additional procedures in respect of observation of inventories where in inventories have been physically verified by the management when restrictions were partially eased and local client personnel were able to conduct stock counts with larger lockdown still prevalent.</p>	<p>b) Obtained an understanding of the process and reviewed the management controls over the physical count of inventories.</p> <p>c) Assessed the Company's methodology on performance of inventory count and frequency in respect of size and nature of inventories.</p> <p>d) Performed additional alternate procedures in accordance with of SA 501 (Revised) Audit Evidence – Specific Considerations for Selected locations/Items including.</p> <p>i. Engagement of an independent auditor (chartered accountant) to observe the stock count in respect of locations wherein the stock count was conducted by management during the lockdown. We had also issued specific instructions for stock count to the independent auditor also.</p> <p>ii. Further, where it was impracticable to travel by the Independent auditor (chartered accountant) to observe the stock count in respect of location wherein the stock count was conducted by management during lockdown, we have observed the physical verification of inventory through Video conferencing.</p> <p>e) Further, we have performed the following procedures:</p> <ul style="list-style-type: none"> - Traced the samples tested to the physical stock take listing as provided by the company, and adjustments (if any) made to the inventory records of the Company. - Analyzed the finished goods yield ratio and rate variances of all categories of Inventories and audit the specific exceptions if any. - Performed cut off procedures in order to ensure the completeness of the booking of sales and purchases for the year ended. - Analyzed the Gross Profit margin of the plants and compared and reconciled the same with the previous year, and audit the specific exceptions if any. <p>f) Rolled back the stock as on date of stock count to March 31, 2020. Enquired with management on their assessment of fraud including their assessment of the differences in physical quantities and the stock records misstatement (if there were any differences).</p>
<p>We believe the additional audit procedures performed by us on account of restrictions on physical movement of our audit team across locations caused by COVID-19 in respect of physical count conducted by management during lockdown is fundamental to the understanding of the users of the financial statements and hence a Key Audit Matter.</p>	

Key audit matters	How our audit addressed the key audit matter
Recording of price differences and trade schemes and their impact on revenue recognition	
<p>Revenue is measured by the Company at the fair value of consideration received/ receivable from its customers and in determining the transaction price for the sale of products, the Company considers the effects of various factors such as volume-based discounts, price differences, rebates and other promotion incentives schemes ('trade schemes') provided to the customers.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Assessed the Company's accounting policy for revenue recognition including the policy for recording price differences and savings as per trade schemes in terms of Ind AS 115. • Obtained understanding of the revenue process, and the assumptions used by the management in the process of calculation of price difference and trade schemes, including design and implementation of controls, testing of management review controls and tested the operating effectiveness of these controls. • Evaluated management's methodology and assumptions used in the calculations of price difference and savings as per trade schemes.
<p>The Company's business also requires passing on price differences and trade schemes to the customers for the sales made by the Company. The Company at the year end, has provided for such price differences and trade schemes to be passed on to the customers. The estimated price differences at the year-end is shown under note 19(c) to the financial statements and the provision for trade schemes is appearing in the note 21 and the same consequentially impacts the revenue appearing in note 24 to the financial statements.</p>	

We have considered this as a key audit matter on account of the significant judgement and estimate involved in calculation of price differences and trade schemes to be recorded as at the year end

- Tested completeness and arithmetical accuracy of the data used in the computation of price difference and savings as per trade schemes.
- Tested, on sample basis, credit notes issued/ payment made as per approved trade scheme/ agreed price differences passed on to the customers.
- Analyzed comparison of expenses ratio as a percentage of sales for both current year and previous year and audit the specific exception, if any.

Other Information

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.

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. 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 with reference to financial statements 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 Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) The matter described in Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- (f) 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;
- (g) 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;
- (h) 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;
- (i) 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 35(c) 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. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**

Partner

Membership Number: 094421

UDIN: 20094421AAAACC9399

Place of Signature: New Delhi

Date: June 10, 2020

Annexure 1 referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date

Re: Jamna Auto Industries Limited

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme 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. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management the title deeds of immovable properties amounting to Rs. 2,365.18 lacs included in fixed assets have been given as security (mortgage and charge) against the financing facility taken from banks and we have been explained that the original title deeds are kept as security with the trustee appointed by bankers. Similarly, title deeds of immovable properties amounting to Rs. 1,740.64 lacs included in fixed assets are kept with Kotak Mahindra Bank and State Bank of India as security (mortgage and charge) against the financing facility provided by it. Therefore, these title deeds could not be made available to us for verification, however, the same has been confirmed by the trustee/banks. Accordingly, based on the information and explanation given to us by the management and confirmation received from trustee/banks we report that the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2020 and no material discrepancies were noticed in respect of such confirmations.
- (iii) (a) The Company has granted loans to one wholly owned subsidiary covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.
- (b) The Company has granted loans that are re-payable on demand, to one wholly owned subsidiary in the register maintained under section 189 of the Companies Act, 2013. We are informed that the company has not demanded repayment of any such loan during the year, and thus, there has been no default on the part of the parties to whom the money has been lent. The payment of interest has been regular.
- (c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.
- (v) The Company has not accepted any deposits from the public.
- (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 spring leaves and lift axle, and are of the opinion that 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, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added 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, employees' state insurance, income-tax, service tax, sales-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 custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dispute	Forum where dispute is pending	Amount (Rs. In Lacs)*	Amount paid under protest (Rs in Lacs)	Period to which the amount relates
Income Tax Act,1961	Alleged diversion of profit to subsidiary	Commissioner of Income Tax (Appeals)	474.79	-	A.Y. 2012-2013 and A.Y. 2013-2014
Income Tax Act,1961	Interest on alleged interest free advances	Commissioner of Income Tax (Appeals)	7.56	-	A.Y. 2012-2013 and A.Y. 2013-2014
Income Tax Act,1961	Interest on alleged interest free advances	Commissioner of Income Tax (Appeals)	3.09	-	A.Y. 2014-2015
Madhya Pradesh Sales Tax act 1958	VAT	Supreme Court, New Delhi	477.54	-	F.Y. 2006-2007
Uttar Pradesh Sales Tax act 1958	VAT/CST/ET	Additional Commissioner, Grade-2, (Appeal) Fourth, Commercial Tax, Lucknow	149.60	22.90	F.Y. 2011-2012
Finance Act 1994	Service Tax	Appeal against Hon'ble High Court Order	141.27	141.27	F.Y. 2008-2009
Madhya Pradesh Sales Tax act 1948	Entry Tax	Supreme Court, New Delhi	45.83	-	F.Y. 2006-2007
Finance Act 1994	Service Tax	Assistant Commissioner, Panchkula & Yamuna Nagar	29.77	-	F.Y. 2011-2012 and F.Y. 2012-2013
Tamil Nadu VAT Act,2006	VAT	Appellate Deputy Commissioner, Chennai (South)	22.42	-	F.Y. 2012-2013 and F.Y. 2013-2014
Finance Act 1994	Service Tax	Additional Commissioner, Gwalior	20.63	-	F.Y. 05-06 to 08-09 and F.Y 08-09 to 09-10
Madhya Pradesh Sales Tax act 1958	Entry Tax/ Sales Tax	MP Commercial Tax Applet Board, Bhopal	17.59	1.63	F.Y. 2001-2002, F.Y. 2008-2009
Customs Act, 1962	Custom Act	Director General of Foreign Trade, New Delhi	8.25	-	F.Y. 2000-2008
Finance Act 1994	Service Tax	Assistant Commissioner, Kurukshetra	7.72	-	F.Y. 2015-2016 to F.Y. 2017-2018
Madhya Pradesh Sales Tax act 1958	VAT	Additional. Commissioner Cum Appellate Authority, Commercial Tax, Gwalior	6.71	-	F.Y. 2015-2016
Finance Act 1994	Service Tax	Assistant Commissioner, Central Excise, Chennai	5.51	-	F.Y.2005-2006 and F.Y. 2006-2007
Finance Act 1994	Service Tax	Assistant Commissioner Customs & Central Excise, Gwalior	4.27	-	F.Y.2010-2011, F.Y.2011-2012 and F.Y. 2012-2013
Finance Act 1994	Service Tax	Commissioner Appeal, Delhi	3.17	-	F.Y. 2010-2011
GST Act 2017	GST	Appellate Authority	2.63	1.32	F.Y. 2019-2020
Finance Act 1994	Service Tax	Deputy Commissioner, Central Excise, Chennai	1.92	-	F.Y.2009-2010
Madhya Pradesh Sales Tax act 1958	Nikaykar	MP Commercial Tax Applet Board, Bhopal	0.65	0.12	F.Y. 1997-1998
Madhya Pradesh Sales Tax act 1958	State Sales Tax	Commissioner, Commercial Tax, Gwalior	0.25	0.07	F.Y. 1999-2000

* Amount in lacs represents gross amount thus does not represent the amount net of 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 a financial institution, bank or government or dues to debenture holders. The Company does not have dues to any financial institutions, or debenture holder.
- (ix) According to the information in our opinion and according to the information and explanations given by the management, the Company has utilized the money raised by way of term loan for the purpose for which they were raised. Further, the Company has not raised any money way of initial public offer/ further public offer/ debt instruments 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.
- (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. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership Number: 094421
UDIN: 20094421AAAACC9399

Place of Signature: New Delhi
Date: June 10, 2020

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF JAMNA AUTO INDUSTRIES LIMITED

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

We have audited the internal financial controls over financial reporting of Jamna Auto Industries Limited ("the Company") as of March 31, 2020 in conjunction with our 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 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 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, 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 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 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 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 financial statements.

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

A company's internal financial control over financial reporting with reference to these standalone 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 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 Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone 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 financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone 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 financial statements and such internal financial controls over financial reporting with reference to these standalone 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. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**

Partner

Membership Number: 094421

UDIN: 20094421AAAACC9399

Place of Signature: New Delhi

Date: June 10, 2020