

WANBURY LIMITED

31st Annual Report 2018-2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WANBURY LIMITED

Report on Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Wanbury Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss including Other Comprehensive Income (Loss), the Statement of Changes in Equity, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its loss, other comprehensive income (loss), changes in equity 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 Act. 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 ("ICAI") 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 opinion.

Material Uncertainty Related to Going Concern:

In spite of negative net worth of the Company, the standalone financial statements of the Company have been prepared on a going concern basis for the reasons stated in Note No. 60 of the standalone financial statements.

Our opinion is not modified in respect of the same.

Emphasis of Matters

We draw attention to the following matters in the Notes to the standalone financial statements:

- a) The Company has given guarantee in respect of Exim Bank's investments of USD 60 Lakhs (₹ 4,150.28 Lakhs) in Wanbury Holding B.V., a subsidiary of the Company which has been invoked. The said dues being part of the CDR Scheme will be accounted upon arriving at mutually agreed terms of settlement as stated in Note No. 42 (a) of the standalone financial statements.
- b) Note No. 45 of the standalone financial statements regarding the status of merger of erstwhile PPIL with the Company.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of Provisions and Contingent liabilities</p> <p>The Company undergoes assessment proceedings from time to time with direct and indirect tax authorities and with certain other parties. There is a high level of judgement required in estimating the level of provisioning and/ or the disclosures required. The management's assessment is supported by advice from internal / external tax consultants and legal consultants, where considered necessary by the management. Accordingly, unexpected adverse outcomes could significantly impact the Company's reported Loss and Balance Sheet position.</p> <p>(Refer Note 41, 42 & 43 of the standalone financial statements)</p> <p>We considered the above area as a key audit matter due to associated uncertainty related to the outcome of these matters and application of material judgement in interpretation of law.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Understanding and evaluating process and controls designed and implemented by the management including testing of relevant controls; • Obtaining details of the related matters, inspecting the supporting evidences and critically assessing management's evaluation through discussions with management on both the likelihood of outcome and the magnitude of potential loss; • Reading recent orders and/ or communication received from the tax authorities and with certain other parties, and management replies to such communication; • Evaluating independence, objectivity and competence of the management's tax / legal consultants (internal/ external); • Understanding the current status of the tax assessments/ litigations; • Obtaining direct written confirmations from the Company's legal/ tax consultants (internal/ external) to confirm the facts and circumstances and assessment of the likely outcome. • Assessing the likelihood of the potential financial exposure; • We did not identify any material exceptions as a result of above procedures relating to management's assessment of provisions and contingent liabilities.
<p>Appropriateness of the Expected credit loss ("ECL").</p> <p>The Company applies simplified approach for trade receivable and general approach for corporate guarantee contracts and financial assets other than trade receivable to recognise ECL.</p> <p>ECL is considered as KAM in view of significant estimates and judgements made by the management for measurement and recognition of the same.</p> <p>(Refer Note 62 of the standalone financial statements)</p>	<p>Our procedures, in relation to testing of ECL, includes the following:</p> <ul style="list-style-type: none"> • We have verified management's calculations in respect of estimate made by the management towards ECL. We have examined the methodology and the judgements/assumptions made by the management while making ECL.

Information Other than the Financial Statements and Auditor's Report Thereon ("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 financial statements and our auditor's report thereon.

Our opinion on the standalone 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 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.

Management's Responsibility for the Standalone 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income (loss), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 standalone 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 Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism 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 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 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period 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 Section 143(11) of the Act, we give in the "Annexure A" 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 other comprehensive income (loss), the Cash Flow Statement and the 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 financial statements comply with the Ind AS specified under Section 133 of the Act read with relevant rules issued thereunder;
 - e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”; and
 - g) 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:

Excess remuneration to the Whole time director for the current year paid / provided of Rs. 34.40 Lakhs as per the provisions of section 197 read with Schedule V to the Companies Act, 2013 has been recovered during the year.
 - 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, 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, if any, of pending litigations as at 31 March 2019, on its financial position in its standalone financial statements - Refer Note 41 to the standalone financial statements;
 - ii. The Company has not entered into 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;
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended 31 March 2019.

**FOR AND ON BEHALF OF
V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN. NO. 107488W**

Mumbai, 14th August, 2019
UDIN: 19038615AAAAIR7747

**RASESH V. PAREKH - PARTNER
MEMBERSHIP NO. 38615**

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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(The Annexure referred to in para 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of **WANBURY LIMITED** on the standalone financial statements for the year ended 31 March 2019.)

- 1) In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets i.e Property, Plant and Equipment("PPE").
 - b) As informed to us by the management, the Company has a policy of physically verifying fixed assets (PPE) in a phased manner over a period which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. We are informed that there were no material discrepancies noticed on such verification and the same has been properly dealt with in the books of account.
 - c) According to the information and explanations given to us and the title deeds / lease deeds and other records examined by us, we report that the title deeds / lease deeds in respect of all the immovable properties of land which are freehold, immovable properties of land that have been taken on lease and buildings, as disclosed as Fixed Asset (PPE) in Note 8 to the standalone financial statements, are held in the name of the Company or in the erstwhile name of the Company or in the name of the transferor companies which have merged into the Company, as at the balance sheet date.
- 2) According to the information and explanation given to us, the inventories have been physically verified by the management at reasonable intervals during the year except for stocks with third parties for which most of the confirmation certificates have been obtained by the Company. The discrepancies noticed on such physical verification between physical stock and book records were not material and have been adequately dealt with in the books of account.
- 3) According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013.
- 5) According to the information and explanations given to us, the Company has not accepted any deposits as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- 6) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013 in relation to products manufactured, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, made a detailed examination of the records with a view to determine whether they are accurate and complete.
- 7) According to the information and explanations given to us:
 - a) According to information and explanations given to us and records of the Company examined by us on a test check basis, the Company has not been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess and other material statutory dues with the appropriate authorities. On the basis of the audit procedures followed, test checks of the transaction and the representation from the Management, there are no undisputed amounts payable in respect of aforesaid material statutory dues as at 31 March 2019, which were in arrears for a period of more than six months from the date they became payable except in respect of Income Tax of ₹ 49.38 Lakhs and statutory dues of erstwhile PPIL referred to in Note 45a of the standalone financial statements.
 - b) On the basis of our examination of the documents and records of the Company, there are no dues of Income Tax, Goods and Service Tax, Customs Duty, and Cess as at 31 March 2019 which have not been deposited on account of a dispute, except as enumerated herein below which are pending before respective authorities as mentioned there against:

Name of the Statute	Nature of the Dues	Amount ₹ In Lakhs*	Period to which amounts relate	Forum where dispute is Pending
The Income Tax Act, 1961	Income Tax/ TDS/ Interest / Penalty	501.21	AY 2010-11	Deputy Commissioner of Income tax, Mumbai
The Central Sales Tax Act, 1956	Sales Tax/Interest / Penalty	42.95	FY 1997-98 to FY 2004-05	Andhra Pradesh High Court
		2,972.28	FY 1992-93 FY 1994-95 FY 1996-97 FY 1997-98 & FY 2000-01 to FY 2004-05	Bombay High Court
Service Tax under Finance Act, 1994	Service Tax/ Interest/ Penalty	290.32	FY 2005-06 to FY 2010-11	Central, Excise and Service Tax Appellate Tribunal, Mumbai
		31.43	FY 2011-12	The Commissioner of Central Excise (Appeals), Mumbai
The Central Excise Act, 1944	Excise Duty/ Penalty	26.10	Mar 2013 to Dec 2013	The Custom, Excise and Service Tax Appellate Tribunal (CESTAT), Hyderabad
		41.94	Jan 2014 to Oct 2014	The Custom, Excise and Service Tax Appellate Tribunal (CESTAT), Hyderabad
		20.03	Nov 2014 to Aug 2015	The Commissioner of Central Excise (Appeals), Guntur, Andhra Pradesh

*Net of amounts paid under protest or otherwise. Amount as per demand order including interest and penalty wherever quantified.

- 8) Based on our audit procedures, information and explanations given to us, there is no delay in respect of repayment of loans or borrowings to financial institutions, banks, Government and dues to debenture holders, except for the following defaults.

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Particulars	Amount of default as at the balance sheet date (₹ in Lakhs)	Period of default (in days) and Remarks
Andhra bank - Principal - Interest	1,005.27 353.70	1 to 731 days 1 to 731 days
Axis Bank - Interest	1.57	1 day
EXIM Bank - Principal - Interest	460 56.86	1 to 366 days 1 to 731 days
IDBI Bank - Principal - Interest	11.52 1.02	1 to 91 days 1 day
Edelweiss Asset Reconstruction Company Limited ("EARCL") - Principal - Interest	200 2.91	1 to 17 days 1 to 107 days
State Bank of India - London -Principal -Interest	1320.94 4.93	1 day 1 day
Foreign Currency Convertible Bond Holders - Principal - Interest	 323.20 108.39	 1 to 2,533 days 1 to 2,832 days
Non Convertible Debentures	55.67 97.00	Unpaid from 1 May 2009 Unpaid from 1 May 2010 Refer Note 27.1 and 45a of "The Standalone" financial statements
Optionally Fully Convertible Debentures	290.99 291.00	Unpaid from 30 April 2010 Unpaid from 30 April 2011 Refer Note 27.2 and 45a of "The Standalone" financial statements
Term Loans taken by erstwhile PPIL from banks / financial institutions	68.02	Unpaid from respective due dates. Refer Note 27.4, 27.5 and 45a of the stand-alone financial statements

- 9) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loan during the year.
- 10) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- 11) According to the information and explanation given to us:
Excess remuneration to the whole time director paid / provided as per the provisions of section 197 read with Schedule V to the Companies Act, 2013, for the year ended 31 March 2018, 31 March 2017 and 31 March 2016 the Company has paid ₹ 45.77 Lakhs, ₹ 41.77 Lakhs and ₹ 49.77 Lakhs respectively, which was shown as recoverable under "Other Current Assets – Non Financial" and for the year ended 31 March 2019 amounting to ₹ 34.40 Lakhs, aggregating to ₹ 171.71 Lakhs, have been fully recovered during the current financial year.
- 12) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

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- 13) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transaction have been disclosed in the standalone financial statements as required by the applicable Ind AS.
 - 14) According to the information and explanation given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
 - 15) In our opinion and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
 - 16) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

**FOR AND ON BEHALF OF
V. PAREKH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN. NO. 107488W**

Mumbai, 14th August, 2019
UDIN: 19038615AAAAIR7747

**RASESH V. PAREKH - PARTNER
MEMBERSHIP NO. 38615**

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ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(The Annexure referred to in para 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of **WANBURY LIMITED** on the Standalone financial statements for the year ended 31 March 2019.)

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 with reference to financial statements of **WANBURY LIMITED** ("the Company") as of 31 March 2019 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 with reference to financial statements 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 and presentation 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 with reference to 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 issued by the ICAI 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. Those Standards and the above mentioned 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 with reference to 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 system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to 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 with reference to 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2019 based on the internal control with reference to financial statements 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 ICAI.

**FOR AND ON BEHALF OF
V. PAREKH & ASSOCIATES
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FIRM REGN. NO. 107488W**

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