

**To The Members of HONEYWELL AUTOMATION INDIA LIMITED****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Honeywell Automation India Limited (“the Company”), which comprise the Balance Sheet as at March 31<sup>st</sup>, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow, the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 2020, and its profit, total 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 financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No. | Key Audit Matter  | Auditor's Response   |
|---------|---|--|
| 1       | <p>Accuracy of recognition, measurement, presentation and disclosure of revenues in line with Ind AS 115 Revenue from Contracts with Customers :</p> <p>Revenue from these contracts is recognized over a period of time in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers. Due to the nature of the contracts, revenue recognition involves usage of percentage of completion method which is determined based on proportion of contract costs incurred to date compared to estimated total contract costs, which involves significant judgments, identification of contractual obligations and the Company's rights to receive payments for performance completed till date, changes in scope and consequential revised contract price and recognition of the liability for loss making contracts/onerous obligations. Cost contingencies are included in these estimates to take into account specific uncertain risks, or disputed claims against the Company,</p> | <p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> <li>• Testing of the design and implementation of controls involved for the determination of the estimates used like total budgeted cost, amendments/modifications to contracts as well as their operating effectiveness;</li> <li>• The measurement of revenue recognition requires management's estimates in respect of revenue, budgeted costs as well as the percentage of completion for projects. In our testing of the revenue recognition and provision for upfront losses for the reporting period, we selected contracts on a sample basis and: <ul style="list-style-type: none"> <li>- tested the sample of contracts for appropriate identification of performance obligations;</li> <li>- reviewed the management's evaluation process to recognize revenue over a period of time, the status of completion for projects and total cost estimates</li> </ul> </li> </ul> |

| Sr. No. | Key Audit Matter   | Auditor's Response   |
|---------|--|--|
|         | <p>arising within each contract. These contingencies are reviewed by the Management on a regular basis throughout the contract life and adjusted where appropriate.</p> <p>Accuracy of revenues, onerous obligations and profits/loss may deviate significantly on account of change in judgements and estimates. For this reason, we identified revenue recognition from construction contracts as a key audit matter.</p> <p>Refer to Note Number. 2(g) and Note number 21 of the Financial Statements</p>   | <ul style="list-style-type: none"> <li>- performed corroborative enquiries with the project managers for the samples selected and reconciled their responses to the contract testing and/or the executed final contract and related amendments.</li> <li>- assessed management's estimates of the impact to revenue and budgeted costs arising from scope changes made to the original contracts, claims, disputes and liquidation damages with reference to supporting documents including variation orders and correspondence between the Company and the customers.</li> <li>- obtained the percentage of completion calculations, agreed key contractual terms back to signed contracts, tested the mathematical accuracy of the cost incurred till date to budgeted total cost and re-performed the calculation of revenue recognized during the year based on the percentage of completion.</li> <li>- testing a sample of contracts for appropriate identification of performance obligations;</li> <li>- tested the reasonableness of forecasted cost to complete by obtaining executed purchase orders and agreements thereby evaluating reasonableness of management's judgements.</li> <li>- tested on a sample basis the actual costs incurred on construction works during the reporting period.</li> </ul> |
| 2       | <p>Provision for expected credit losses:</p> <p>The expected credit loss (ECL) in respect of trade receivable and unbilled revenue for goods and services represents management's best estimate of the loss allowance.</p> <p>The ECL allowance is computed based on a simplified model based on judgement considering past experience.</p> <p>The calculation of ECL allowance is a complex area and requires management to make significant assumptions on customer payment behaviour and other relevant risk characteristics when assessing the historical information and estimating the level and timing of expected future cash flows.</p> <p>Refer Note 2(O)(iv) and footnotes to Note 6 and Note 9 to the financial statements</p> | <p>Principal audit procedures performed:</p> <p>We tested the key controls relating to calculation of provision for credit losses of trade receivable and unbilled revenue for goods and services. The computation is based on standard debtors and unbilled ageing reports derived from SAP.</p> <p>We tested the methodology applied in credit loss provision calculation and compared it to the requirements of Ind AS 109 - Financial Instruments to ensure that the higher of the two was considered for provision.</p> <p>We also tested the mathematical accuracy and assessed the judgements used in the management's model used to calculate provision for credit losses.</p> <p>We understood and critically assessed the Company's policy for credit loss provisioning. We assessed whether the historic experience on which the policy was determined is representative of current circumstances and the whether the bad debts incurred were within the provisions created.</p>  |
| 3       | <p>Evaluation of Provisions and analysis with respect to ongoing direct and indirect tax litigations</p> <p>The Company operates in different state level jurisdictions within India and is therefore subject to tax regimes with different rules and regulations. As described in note 3 to the financial statements on significant accounting estimates and judgements, significant judgement is required in determining</p>   | <p>Principal audit procedures performed:</p> <p>We assessed management's processes and tested the internal controls implemented for the identification, recognition and measurement of uncertain tax positions and it's assessment of the potential impact on the Company.</p> <p>For all the claims and assessments against the company, management evaluated the possibility, probability and remoteness (PPR) of the claims.</p>  |

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|---------|---|--|
|         | <p>provisions for uncertain tax positions including estimates of interest and penalties wherever appropriate.</p> <p>Refer Note 2(L) and note 34 to the financial statements.</p> | <p>We evaluated management's assessments with respect to prospects of success of appeals and tax proceedings.</p> <p>In proceedings involving material amounts, we examined the possibility, probability and remoteness of the claim/cases for which, we have involved internal specialist to challenge the management's position on these select uncertain Direct/ Indirect tax positions.</p> <p>Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.</p> <p>Further, we obtained independent external confirmations with respect to majority amounts from the Company's legal advisors/consultants.</p> <p>We discussed the status of significant known actual and potential litigation with appropriate senior management of the Company.</p> |

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the financial information included in the Board's Reporting including specific Annexures to Board's Report and Management Discussion and Analysis, 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.
- 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 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 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 Ind AS and other accounting principles generally accepted in India. 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

**Auditor's Responsibility 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 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 Section 143(3) of the Act, based on our audit 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, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31<sup>st</sup>, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31<sup>st</sup>, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - 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,  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements ;
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. Further, the company did not have any open derivative contracts as on the balance sheet date;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**  
**Chartered Accountants**  
**(Firm's Registration No.117366W/W-100018)**

Pune, May 22, 2020 ,

**Hemant M. Joshi**  
Partner  
(Membership No. 38019  
UDIN: 20038019AAAADO2737

## **Report on Internal Financial Controls Over Financial Reporting**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### **Report on the Internal Financial Controls Over Financial Reporting 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 Honeywell Automation India Limited (“the Company”) as of March 31<sup>st</sup>, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 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 over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31<sup>st</sup>, 2020, based on the criteria for internal financial control over financial reporting 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 Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm's Registration No.117366W/W-100018)**

**Hemant M. Joshi**  
Partner  
(Membership No. 38019  
UDIN: 20038019AAAADO2737)

Pune, May 22, 2020 ,

**(Referred to in paragraph 2 under 'Reporting on Other Legal and Regulatory Requirements' section of our report of even date)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of five years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the copy of the registered sale deed, title search report and tax paid receipts provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. The Company does not have any immovable properties of leasehold land and building.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of investments made by the Company. According to the information and explanations given to us, the Company has not granted loans or provided guarantees and securities.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public and hence reporting under clause 3 (v) of the Order is not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Act, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Service Tax (GST), Cess and other material statutory dues applicable to it to the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, GST, Cess and other material statutory dues in arrears as at March 31<sup>st</sup>, 2020 for a period of more than six months from the date they became payable.
  - (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and GST which have not been deposited as on March 31<sup>st</sup>, 2020 on account of disputes are given below:

(Rs. in lakhs)

| <b>Income Tax Act, 1961</b>   |  |   |                      |                    |
|---|--|---|----------------------|--------------------|
| <b>Nature of Due</b>  | <b>Forum where Pending</b>                           | <b>Period to which it pertains</b>      | <b>Amount unpaid</b> | <b>Amount Paid</b> |
| Income Tax  | Bombay High Court                                    | AY 2011-12                              | 776.25               | 1,871.27           |
| Income Tax  | Commissioner of Income Tax                           | AY 2014-15 & AY 2015-16                 | 1,524.76             | 287.14             |
| Income Tax  | Assessing office/ Transfer Pricing officer           | AY 2003-04                              | 349.19               | 195.08             |
| <b>Respective Sales tax laws- Sales tax, Value added tax (VAT), Central Sales Tax (CST), Works Contract Tax, Entry Tax, etc</b> |  |   |                      |                    |
| <b>Nature of Dues</b>   | <b>Forum where pending</b>                           | <b>Period to which it pertains (FY)</b> | <b>Amount Unpaid</b> | <b>Amount Paid</b> |
| CST   | Additional Commissioner, Uttar Pradesh               | 2010-11                                 | 6.56                 | -                  |
| VAT   | Additional Commissioner, Jharkhand                   | 2010-11                                 | 0.19                 | -                  |
| VAT   | Additional Commissioner, Uttar Pradesh               | 2012-13                                 | 165.06               | -                  |
| CST   | Assistant commissioner, Tamil Nadu                   | 2013-14 to 2017-18                      | 21.67                | -                  |
| CST   | Assistant Commissioner, Haryana                      | 2014-15 & 2015-16                       | 73.30                | -                  |
| CST/VAT   | Assistant Commissioner, Jharkhand                    | 2007-08                                 | 18.69                | -                  |
| CST   | Assistant Commissioner, Maharashtra                  | 2013-14 to 2015-16                      | 68.74                | -                  |
| VAT   | Assistant Commissioner, Maharashtra                  | 2013-14 to 2016-17                      | 409.13               | -                  |
| CST/VAT   | Assistant Commissioner, Rajasthan                    | 2006-07 to 2009-10, 2014-15             | 83.27                | -                  |
| CST/VAT   | Assistant Commissioner, West Bengal                  | 2014-15                                 | 25.55                | 2.68               |
| CST   | Commercial Tax Office, West Bengal                   | 2012-13                                 | 131.33               | 15.09              |
| VAT   | Commercial Tax Office, West Bengal                   | 2011-12                                 | 0.08                 | -                  |
| VAT   | Commercial tax officer, Andra Pradesh                | 2014-15                                 | 21.81                | -                  |
| VAT   | Commercial tax officer(WC), Kerala                   | 2013-14                                 | 46.46                | 20.39              |
| VAT   | Commercial Tax Officer, Kerala                       | 2011-12                                 | 14.87                | 2.90               |
| VAT   | Deputy commissioner (Appeals), Gujarat               | 2001-02                                 | 19.73                | -                  |
| VAT   | Deputy commissioner (Appeals), Kerala                | 2011-12 & 2012-13                       | 91.24                | 9.63               |
| CST   | Deputy commissioner (Appeals), Rajasthan             | 2010-11                                 | 20.79                | -                  |
| VAT   | Deputy commissioner (Commercial Tax), Andhra Pradesh | 2010-11 & 2011-12                       | 17.22                | 5.74               |
| VAT   | Deputy commissioner (Commercial Tax), Uttar Pradesh  | 2008-09                                 | 65.35                | -                  |
| VAT   | Deputy Commissioner (Commercial Tax), Rajasthan      | 2017-18                                 | 15.16                | -                  |
| CST   | Deputy Commissioner, Uttar Pradesh                   | 2006-07                                 | 233.76               | -                  |
| ET  | Deputy Commissioner, Uttar Pradesh                   | 2005-06 & 2006-07                       | 26.00                | -                  |
| VAT   | Deputy Commissioner, Uttar Pradesh                   | 2011-12                                 | 213.62               | -                  |
| VAT   | Deputy Commissioner, Jharkhand                       | 2014-15                                 | 4.33                 | -                  |
| VAT   | Deputy Commissioner, Kerala                          | 2009-10                                 | 0.74                 | 0.19               |

(Rs. in lakhs)

| Nature of Dues                      | Forum where pending                           | Period to which it pertains (FY)                        | Amount Unpaid | Amount Paid |
|-------------------------------------|---|---|---------------|-------------|
| CST                                 | Deputy Commissioner, Maharashtra              | 2012-13 & 2013-14                                       | 332.85        | 80.73       |
| CST                                 | Deputy Commissioner, Uttar Pradesh            | 2013-14   | 0.75          | 0.19        |
| VAT                                 | Deputy Commissioner, Uttar Pradesh            | 2014-15 & 2015-16                                       | 182.87        | -           |
| CST                                 | Audit Wing, Madhya Pradesh                    | 2016-17   | 17.25         | -           |
| ET                                  | Audit Wing, Madhya Pradesh                    | 2016-17   | 2.12          | -           |
| VAT                                 | Audit Wing, Madhya Pradesh                    | 2016-17   | 271.82        | -           |
| CST                                 | Joint Commissioner (Appeals), Maharashtra     | 2009-10 & 2015-16                                       | 1,506.87      | 25.70       |
| MWCT                                | Joint Commissioner (A), Maharashtra           | 2001-02   | 13.19         | -           |
| VAT                                 | Joint Commissioner (A), Maharashtra           | 2007-08, 2009-10 & 2015-16                              | 438.52        | 20.93       |
| VAT                                 | Joint Commissioner Commercial Tax , Karnataka | 2014-15   | 166.62        | -           |
| CST                                 | Joint Commissioner, Cuttack                   | 2011-12 & 2012-13                                       | 153.61        | -           |
| VAT                                 | Joint Commissioner (Appeals), West Bengal     | 2010-11   | 39.12         | -           |
| VAT/CST                             | Joint Commissioner, Delhi                     | 2005-06, 2006-07, 2008-09 to 2011-12, 2014-15 & 2015-16 | 1,105.35      | 91.72       |
| VAT                                 | Joint Commissioner, Karnataka                 | 2009-10 & 2011-12                                       | 17.73         | 40.00       |
| CST                                 | Joint Commissioner, Maharashtra               | 2010-11   | 103.52        | 18.16       |
| VAT                                 | Joint Commissioner, Maharashtra               | 2011-12   | 52.67         | 131.23      |
| CST                                 | Joint Commissioner, West Bengal               | 2013-14, 2015-16 & 2016-17                              | 15.59         | 2.32        |
| VAT                                 | Joint Commissioner, West Bengal               | 2013-14, 2015-16 & 2016-17                              | 1,087.32      | 138.26      |
| VAT                                 | Sales tax office, Jharkhand                   | 1997-98 to 1999-00                                      | 39.73         | -           |
| VAT                                 | Senior Joint Commissioner, West Bengal        | 2012-13   | 64.11         | 13.82       |
| CST/VAT                             | Special Commissioner, Delhi                   | 2007-08   | 341.48        | -           |
| BST/CST                             | Tribunal, Maharashtra                         | 2001-02   | 245.26        | -           |
| CST                                 | Assistant Commissioner, Telengana             | 2015-16   | 7.78          | -           |
| <b>The Customs Act, 1962</b>        |   |   |               |             |
| Customs                             | Deputy Commissioner (Customs), Mumbai         | 1994-95 & 2007-08                                       | 81.35         | -           |
| <b>The Central Excise Act, 1944</b> |   |   |               |             |
| Excise                              | Deputy/Assistant Commissioner, Excise Pune    | 2000-01   | 2.40          | -           |

(viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No.117366W/W-100018)

**Hemant M. Joshi**  
Partner  
(Membership No. 38019  
UDIN: 20038019AAAADO2737)

Pune, May 22, 2020