

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Voltas Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Voltas 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.

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 |
|--|--|
| <p>Revenue recognition on long-term Mechanical, Electrical and Plumbing (MEP) contracts</p> <p>The Company's revenues include revenue from long-term Mechanical, Electrical and Plumbing (MEP) contracts which are recognized over a period of time in accordance with the requirements of Ind AS 115, 'Revenue from Contracts with Customers'.</p> <p>Due to the nature of the contracts, revenue is recognized based on 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 including estimate of future costs, revision to original estimates based on new knowledge such as delay in timelines, changes in scope and consequential revised contract price and recognition of the liability for loss making contracts/ onerous obligations.</p> <p>Accuracy of revenues, onerous obligations and profits may deviate significantly on account of change in judgements and estimates.</p> <p>Management has assessed the impact of the ongoing economic slowdown and the associated uncertainties in the business environment on its estimates. (Refer Note 3A Significant Accounting Judgments, Estimates and Assumptions)</p> <p>Considering the variability of assumptions involved in estimation of revenues, the same has been considered as a key audit matter.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Read the Company's revenue recognition accounting policies and assessed compliance of the policies with Ind AS 115. • We assessed the design and tested the operating effectiveness of controls over revenue recognition through inspection of evidence of performance of these controls with specific focus on determination of progress of completion, recording of costs incurred, estimation of costs to complete and the remaining contract obligations. • We performed test of details, on a sample basis and evaluated management estimates and assumptions. • We assessed management's estimates by comparing estimated cost with actual costs and discussion on the project specific considerations with the relevant project managers including those during our project site visits. We assessed that, fluctuations in commodity and currency prices, delays, cost overruns related to the performance of work are properly taken into consideration while estimating costs to come and also assessed the accounting treatment of expected loss on projects including variable consideration which is recognised in accordance with the Company's accounting policy of revenue recognition. • We evaluated management's consideration of the uncertain economic environment on the assessment of the assumptions used by management in the estimates mentioned in above para. • We tested on sample basis contracts with low or negative margins, loss making contracts, contracts with significant changes in planned cost estimates and probable penalties due to delay in contract execution. • We assessed that the disclosure of revenue in accordance with Ind AS 115 'Revenue from contracts with customers' are appropriately presented and disclosed in Note no. 49 to the standalone Ind AS financial statements. • We read and assessed the relevant disclosures in the standalone Ind AS financial statements relating to management's assessment of the impact of the ongoing uncertain economic environment on the financial statements. |

| Key audit matters | How our audit addressed the key audit matter |
|--|--|
| <p>Recoverability of and Impairment Allowances of receivables and contract assets of Electro- Mechanical projects and services segment</p> <p>As at March 31, 2020, trade receivable and contract assets of Electro- mechanical projects and service segment amount to INR 1,822.49 crores.</p> <p>Out of the total trade receivables and contract assets of Electro-mechanical projects and service segment, INR 565.44 crores represent trade receivable and contract assets of international business operation. Recoverability of certain receivables and contract assets are impacted due to several factors like the customer profile, delays in obtaining completion certification in certain projects due to long project tenure, project disputes resulting in future claims against the Company and financial ability of the customers etc.</p> <p>As regards the overall receivables, the Company follows 'simplified approach' in accordance with Ind AS 109- 'Financial Instruments', for recognition of impairment loss allowance on trade receivables and contract assets. In calculating the impairment loss allowance, the Company has considered its credit assessment for its customers. Owing to the long settlement period involved in a few of the government projects, management also considers the likely delays involved in the settlement process as part of the impairment allowance calculation. The Company has also evaluated the possible effect from increased uncertainties in the current economic environment on the above estimates. (Refer Note 3A Significant Accounting Judgments, Estimates and Assumptions).</p> <p>The assessment of the impairment of such trade receivables and contract assets requires significant management judgment and hence same is considered as Key Audit Matter.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We evaluated the Company's processes and controls relating to the monitoring of trade receivables and review of credit risks of customers. • We assessed the design and tested the operating effectiveness of relevant controls in relation to the process adopted by management for testing the impairment of these receivables and the contract assets. • In respect of impairment allowance on overall receivables and recovery of certain trade receivable and contract assets of international business operation we tested the ageing of trade receivable and contract assets. We tested the management's assessment of the recoverability of receivables sector wise, the customer's financial circumstances, ability to repay the dues based on historical payment trends, assumption used for determining likely losses and delays in collection of trade receivables including any project disputes which may result in future claims against the Company. • We evaluated the assumptions used by management in calculation of the expected credit loss impairment including the impact of the future uncertainties in the economic environment. • We assessed the disclosures on the contract assets and trade receivables in Note 13 and 14 respectively and the related risks such as credit risk and liquidity risk in Note 47 of the standalone Ind AS financial statements. • We read and assessed the relevant disclosures in Note No. 51 to the standalone Ind AS financial statements relating to management's assessment of the impact of the uncertain economic environment. |
| <p>Impairment of Investments in Rohini Industrial Electricals Limited</p> <p>The Company has an investment of INR 261.62 crores in its wholly owned subsidiary "Rohini Industrial Electricals Limited" (RIEL) and Impairment allowance of INR 32.57 crores as of March 31, 2020 (after considering reversal of Impairment amounting to INR 32.57 crores in Mar'19). The Company performs an annual impairment assessment by comparing the carrying value to their recoverable amounts in order to determine whether any additional impairment provision/ reversal is required.</p> <p>For the purposes of above impairment assessment, value in use has been determined by discounting forecasted cash flows and considering the inherent nature of these calculations being subject to sensitivity to the inputs used for forecasting the cash flows and judgements used by management in such forecasts, the assessment of impairment of investment in RIEL was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We assessed the design and tested the operating effectiveness of relevant controls in relation to the process adopted by management for testing the impairment of Investment in RIEL. • We assessed the appropriateness of the Company's valuation methodology applied in determining the recoverable amount. In making this assessment, we also evaluated the objectivity and independence of Company's specialists involved in the process. • We assessed the assumptions around the key drivers of the cash flow forecasts including projected order value and margins, discount rates, expected growth rates and terminal growth rates used. Further, assessed the recoverable value headroom by performing sensitivity testing of key assumptions used. • We discussed potential changes in key drivers as compared to previous year / actual performance with management in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable. • We tested the arithmetical accuracy of the models. • We evaluated the accounting and disclosure of investments in the financial statements of the Company. |

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

The Company's Board of Directors are 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 charged with governance 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

- 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.
- As required by Section 143(3) of the Act, we report that:
 - 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;
 - 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;
 - 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;
 - 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;
 - 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;
 - 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;
 - In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;



(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 41 to the standalone Ind AS 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 including derivative contracts;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **SRBC & COLLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Dolphy D'Souza**

Partner

Membership Number: 038730

UDIN: 20038730AAAAAR3256

Place: Mumbai

Date: May 29, 2020

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT ON EVEN DATE

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company, except for the following:

| Particulars | Amount (In INR crores) | Remarks |
|---|------------------------------|--|
| 16 Flats in Tata Colony, Lallubhai Park, Andheri (W), Mumbai 400063 | 0.02 | The said flats were allotted to the Company by way of common agreement entered by the Company with other Tata Group companies. The title deeds are held by Tata Services Ltd on behalf of all allottees. |
| Voltas House, 23 J N Heredia Marg, Ballard Estate, Mumbai 400001 | 0.01 | The said building was taken on lease by Company from Bombay Port Trust. The Lease has expired on June 14, 2017. The Company has submitted an application for renewal (in accordance with contractual right) of lease on December 15, 2016. |



- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification. 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) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which the Director is interested to which provisions of section 185 of the Companies Act, 2013 apply and hence not commented upon. Further provisions of section 186 of the Companies Act 2013 in respect of investments made, guarantees and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (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 engineering machinery, 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) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, customs duty, goods and service tax, cess and other statutory dues applicable to it. The payment of Goods and Services Tax amounting INR 4.52 crores for the month of March 2020 has been paid subsequent to the due date without any interest in accordance to Notification No 31/2020 and 32/2020 dated April 03, 2020 issued by the Government of India, Ministry of Finance (Department of Revenue), Central Board of Indirect Taxes and Customs.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, customs duty, 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, customs duty, duty of excise, value added tax and cess on account of any dispute, are as follows:

| Name of Statute | Nature of Dues | Forum where case is pending | Period to which the Amount Relates | Amount (INR in crores) |
|--|--|---|--|--|
| The Central Excise Act, 1944 | Excise Duty | Customs, Excise and Service Tax Appellate Tribunal (CESTAT) Commissionerate | 2009-10 to 2014-15 | 12.93 |
| | | | 1981-82, 1983-84, 1985-86 to 1990-91, 1992-93 to 1993-94, 1999-00 to 2001-02, 2004-05, 2011-12 | 4.94 |
| Finance Act, 1994 and Service Tax Laws | Service Tax | Customs, Excise and Service Tax Appellate Tribunal (CESTAT) Commissionerate | 1999-00 to 2017-18 | 11.65 |
| | | | 2003-04 to 2017-18 | 2.76 |
| Sales Tax Act | (1) Value Added Tax (2) Central Sales Tax (3) Entry Tax (including penalty and interest) | Supreme Court | 1993-94 | 0.40 |
| | | High Court | 1987-1988 to 1991-1992, 1995-96 to 1998-1999, 2002-03 to 2005-06, 2008-09, 2010-11 | 13.61 |
| | | | Appellate Tribunal | 1986-87, 1997-98, 1999-00 to 2000-01, 2002-03 to 2014-15 |
| | | Appellate Revisional Board | 2006-07 to 2007-08, 2009-10 to 2010-11, 2012-13 to 2013-14, 2015-16 | 6.65 |
| | | Commissioner (Assessment) | 1988-89 to 1992-93, 1994-95, 1996-97, 1999-00 to 2000-01 | 1.08 |
| | | Commissioner of Appeals | 1990-91, 1994-95 to 2001-02, 2003-04, 2005-06 to 2017-18 | 102.94 |
| Goods and Service Tax Act, 2017 | Goods and Service Tax | High Court | 2018-19 | 0.01 |

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to banks. The Company did not have any outstanding loans or borrowings due in respect of a financial institution, government or dues to debenture holders.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of public offer / debt instruments. The Company has utilized the monies raised by way of term loans for the purposes for which they were raised.
- (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) of the Order 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 the 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 SRBC & COLLP

Chartered Accountants
 ICAI Firm Registration Number: 324982E/E300003

per Dolphy D'Souza

Partner
 Membership Number: 038730
 UDIN: 20038730AAAAAR3256

Place: Mumbai
 Date: May 29, 2020

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF VOLTAS LIMITED

Report on the Internal Financial Controls under Clause (j) 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 Voltas Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, 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 Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SRBC & COLLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Dolphy D'Souza

Partner

Membership Number: 038730

UDIN: 20038730AAAAAR3256

Place: Mumbai

Date: May 29, 2020

