

Independent Auditors' Report on Financial Statements
To the Members of
Triumph International Finance India Limited

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Triumph International Finance India Limited (the "Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and 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 Qualified Opinion

- (a) We draw your attention to Notes A(3), A(4) and B(17), (20) and (26) in the Significant Accounting Policies and Notes on Accounts (Notes A & B) to the balance sheet. The accounts are prepared on going concern basis as the company has shown its intent to do business of share trading immediately, though is not able to commence for technical reasons. However, subject to the above mentioned notes in B, as the Securities and Exchange Board of India has cancelled the registration of the Company as a stock-broker and the National Stock Exchange has declared the Company to be a defaulter and that the Company's appeal has been dismissed by the Apex Court, and recovery of debts being doubtful as mentioned in para (f) below and sizable accumulated losses, we are unable to quantify the impact of some of qualifications and assets and liabilities and the equity stated in the Balance Sheet;
- (b) We draw your attention to Note 20 in Note B to the Balance Sheet about amount of Rs 67.99 crores receivable from Classic Credit Limited ("CCL"). CCL has not commenced the payment as per the time schedule. The Company has not been able to produce any positive evidence to us to show that CCL will be able to repay the amount and give the delivery of the shares. According to the information and explanation given to us and in absence of any evidence being made available to us, in our opinion on the recoverability of this amount from CCL seem doubtful. On the basis that the amount is not recoverable and the provision for the same is required

to be made in the accounts, the profit for the year would have been lower and the debit balance of Profit & Loss Account shown in the Balance Sheet would have been higher by Rs 67.99 crores respectively and the asset, stated in the balance sheet would have been lower to that extent.

- (c) We draw your attention to the fact that total Debtors other than Classic Credit Limited are Rs. 2.89 crores. In absence of other details about them, we are unable to express an opinion about the recoverability of the amount and the consequential effect thereof on the profit for the year and on the asset, liabilities and the other equity, stated in the Balance Sheet
- (d) We draw your attention to Note 25 in Note B to the Balance Sheet about Rs.3.56 crores paid to Panther Investrade Limited. In view of the fact that DRT matters are pending against Panther Investrade Limited and since other information about them is not made available to us, we are unable to express an opinion about the recoverability of this amount and consequential effect thereof on the profit for the year and on the asset, liabilities and equity stated in the Balance Sheet.
- (e) We draw your attention to Note No (30)(b) and (c) of Notes on accounts forming part of Financial Statement which relates to ownership of shares and securities and dividend income Rs 3.77 lacs received during the year. In absence of information regarding the ownership of shares and securities we are unable to express an opinion about this amount and consequential effect thereof on the profit for the year and on the asset, liabilities and equity stated in the Balance Sheet.
- (f) Except for the matters referred to in para (a) to (e) above in respect of which the amount involved is significant and in respect of which we are unable to express an opinion about recoverability of amount, delivery of shares, in our opinion and to the best of our information and according to the explanations given to us, the said accounts, read with the Notes to Accounts appearing in the Note B give the information required by the Companies Act, 2013, in the manner so required.

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and 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 we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

(a) Evaluation of uncertain tax positions

The Company has material uncertain tax positions including matters under dispute which involve significant judgement to determine the possible outcome of these disputes.

Refer Note no 31 to the Standalone Ind AS Financial Statements

Auditors' Response**Principal Audit Procedures**

We obtained details of completed tax assessments and demands during the year ended March 31, 2020 from the management. We involved our internal experts to challenge the management's underlying assumptions and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2019 to evaluate whether any change was required to management's position on these uncertainties.

(b) Accuracy of revenues recognised on fixed deposits The Company recognised interest on fixed deposits kept with the National Stock Exchange India Limited (NSE) and various Banks.

Refer Note no 27 to the Standalone Ind AS Financial Statements

Auditors' Response**Principal Audit Procedures**

We assessed the basis of recognition of interest income followed by the management. Additionally, we obtained the statements of the Banks and Form no 26AS to evaluate whether any change was required to management's basis to recognise revenue.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon. Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or

otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 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, 2019 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

- (a) 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 Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
- (b) As required by section 143(3) of the Act, we report that –

(i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(ii) In our opinion, proper books of account as required by law have been kept so far as appears from our examination of such books;

(iii) The Balance Sheet, the Statement of Profit and Loss including 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;

(iv) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

(v) On the basis of written representations received from the directors as on July 28, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as at 31st March, 2020, from being appointed as a director in terms of section 164(2) of the Act.

(vi) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(vii) 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:

(a) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements except as mentioned in Note 22 and 23 in Note B to the financial statements.

(b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts except as mentioned in Note 22 in Note B to the financial statements.

(c) The Company has not transferred the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and as per the RBI guidelines the bank has transferred the unclaimed dividend to the Reserve Bank of India DEAF account.

(d) The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended 31st March, 2020.

For Rawat & Associates
Chartered Accountants

Firm Registration no 134109W

Ankit Rawat

Partner

Membership no 149191

Sikar, 31st July, 2020

UDIN - 20149191AAAAAX8744

**Annexure A to the Auditors' Report
(Referred to in paragraph (a) under Report on Other Legal and Regulatory
Requirements' section of our report of even date)**

The Annexure referred to in paragraph 3 of our report to the members of Triumph International Finance India Limited on the financial ('the Company') for the year ended 31st March, 2020.

(i) The Company does not have any fixed assets.

(ii) (a) The inventories of securities in physical form have been physically verified at the end of the year by the management.

(b) According to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) According to the information and explanations given to us, the Company is maintaining proper records of inventory. However, no records are available for verification.

(iii) During the year the company has granted interest-free unsecured loans to 1 (one) party covered in the register maintained under section 189 of the Companies Act, 2013. The maximum amount involved during the year was Rs. 26,170/- and the year-end balance of such loan was Rs. 2,42,510.

(a) In our opinion, the terms and conditions on which loans have been granted to Company listed in the register maintained under section 189 of the Companies Act, 2013 are not, prima facie, prejudicial to the interest of the Company except that rate of interest is 'zero'.

(b) According to the information given to us, in case of loans given, the schedule of repayment of principal amount and payment of interest has not been stipulated by the management.

(c) According to the information given to us, there are no overdue amounts in respect of loans granted to such companies.

(iv) In our opinion, the Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments,

guarantees and security.

(v) During the year the company has not accepted any deposits from the public as defined in the directives issued by the Equity Bank of India read with the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Hence in our opinion, the clause (v) of the Order is not applicable to the Company.

(vi) The Company is not covered by the Companies (Cost Records and Audit) Rules, 2014, and hence, the provisions of the clause 3(vi) of the Order are not applicable to the Company.

(vii) (a) According to the information and explanation given to us, during the year the company was regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, service tax, excise duty, cess and other material statutory dues applicable to it, with the appropriate authorities except as mentioned below -
1. TDS payable Rs 0.46 lacs was in arrears, for a period more than six months from the date it became payable.

According to the information and explanations given to us, as on 31.3.2020 no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess were in arrears, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of sales tax, service tax, custom duty, wealth tax, excise duty and cess, as on 31.3.2020, which have not been deposited on account of any dispute.

According to the information and explanations given to us, particulars of dues of income tax as on 31.03.2020, which have not been deposited on account of any dispute, are as under -

Name of the Statute	Nature of Dues	Amount (Rs in Lacs)	Period to which the amount relates	Forum before which the dispute is pending
I.T. Act, 1961	Income Tax Demand	259.98	A.Y.2000-01	CIT(A)
I.T. Act, 1961	Income Tax Demand	68,664.20	Block period ended 23rd March, 2001	Bombay High Court
I.T. Act, 1961	Penalty	69,262.35	Block period ended 23rd March, 2001	Bombay High Court
I.T. Act, 1961	Income Tax Demand	623.51	A.Y.2001-02	ITAT
I.T. Act, 1961	Penalty	26.24	A.Y.2003-04	ITAT

I.T. Act, 1961	Penalty	1,417.47	A.Y. 2004-05	ITAT
I.T. Act, 1961	Penalty	384.18	A.Y. 2005-06	ITAT
I.T. Act, 1961	Penalty	39.98	A.Y. 2002-03	CIT(A)
I.T. Act, 1961	Income Tax Demand	87.58	A.Y. 2014-15	CIT(A)
I.T. Act, 1961	Penalty	89.03	A.Y. 1999-00	CIT(A)
I.T. Act, 1961	Penalty	8.97	A.Y. 1998-99	CIT(A)

(viii) The Company has not borrowed from any Financial Institution, Government or by issue of Debentures during the year. However, in our opinion and according to the information and explanation given to us, the Company has defaulted in repayment of dues to banks. The details of the same are as under –

Oriental Bank of Commerce (Erstwhile Global Trust Bank Limited)	Principal	45463.82	Since 21.03.2001
	Interest	5387.46	
	Bank Guarantee	315.00	Since 29.01.2004
	Interest on Bank Guarantee	369.59	

Note: The above loan was overdraft facility and was not having any fixed repayment schedules. Therefore, in case of the principal amount, the period of default is calculated from the date the banks have demanded the payment. Period of default with respect to interest is not mentioned since provision for the same has been made on various dates. The payments made are adjusted towards Principal repayment.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loan. Accordingly, clause 3(ix) of the Order is not applicable to the Company.

(x) According to the information and explanations given to us, certain clients and banks have lodged complaints against the Company with charges relating to cheating by the Company. The details of such complaints are as under :

Complaint by	Stage of complaint	Charges raised
Economic Offence wing of CBI, Mumbai investigating preferential allotment of shares by Padmini Polymers Limited	CBI filed the charge sheet before the Session Court, Mumbai	The Company and its Directors along with other 30 parties were alleged for commission of various offences relating to cheating and

		forgery under Indian Penal Code and P.C. Act'1988.
The Madhavpura Mercantile Co. Op. Bank Limited	CBI has filed the charge sheet before the High Court, Gujarat	Utilisation of loan of Rs.20 crores against sanction of Rs.5 crores. However, the loan due to The Madhavpura Mercantile Co-op. Bank Ltd has been settled through compromise settlement under FSS-2016.

To the best of our knowledge and according to the information and explanation given to us, no other fraud on or by the Company has been noticed or reported during the year under audit.

(xi) The Company has not paid any managerial remuneration covered by the provisions of section 197 read with Schedule V to the Act, and hence, the provisions of the clause 3(xi) of the Order are not applicable to the Company.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company, and hence, the provisions of the clause 3(xii) of the Order are not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transaction with the related party is in compliance with section 177 and 188 of the Act, where applicable and details of such transaction has been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment of shares and hence, the provisions of the clause 3(xiv) of the Order are not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with the directors or persons connected with him, and hence, the provisions of the clause 3(xv) of the Order 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 Rawat & Associates
Chartered Accountants
Firm Registration no 134109W

Ankit Rawat
Partner
Membership no 149191
Sikar, 31st July, 2020
UDIN - 20149191AAAAAX8744



**Annexure - B to the Auditors' Report
(Referred to in paragraph (b)(vi) under Report on Other Legal and Regulatory
Requirements' section of our report of even date)**

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

We have audited the internal financial controls over financial reporting of Triumph International Finance India Limited ("the Company") as of 31st March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and

operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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, 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 31 March 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 except as mentioned in Note 32 in Note B to the Balance Sheet

For Rawat & Associates
Chartered Accountants

Firm Registration no 134109W

Ankit Rawat

Partner

Membership no 149191

Sikar, 31st July, 2020

UDIN - 20149191AAAAAX8744

