

# Tai Industries Limited

## Registered Office

53A, Mirza Ghalib Street, 3rd Floor, Kolkata - 700 016  
Phone : (033) 2226 0938, 4041 6666, Fax : (033) 2249 7319  
E-mail : info@taiind.com, Website : www.taiind.com  
CIN : L01222WB1983PLC059695

TAI/ SEC/SE/AUDIT – BOARD/17 – 18/ 111  
25<sup>th</sup> May, 2017

The Corporate Relationship Department,  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001

Scrip Code No. 519483

The Secretary,  
The Calcutta Stock Exchange Association Limited  
7, Lyons Range, Kolkata – 700 001

Scrip Code No. 30055

Dear Sir,

Sub: Outcome of the Board Meeting pursuant to Regulation 30 read with Part A of Schedule III and Audited Financial Results pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further to our letter no. TAI/LETTER/AUDIT–BOARD/17–18/92 dated 15<sup>th</sup> May, 2017, we hereby inform that the Board in its meeting held today, i.e 25<sup>th</sup> May, 2017, has approved the following items:

1. Re-appointment of Dasho Topgyal Dorji as Director of the Company.
2. Audited Financial Results for the quarter and year ended 31<sup>st</sup> March, 2017.

The Report of Auditors is with unmodified opinion with respect to the Audited Financial Results of the Company for the quarter / year ended 31<sup>st</sup> March, 2017.

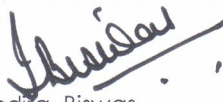
Please find enclosed the following:

1. Audited Financial Results for the quarter and year ended 31<sup>st</sup> March, 2017.
2. Auditors' Report on Audited Financial Results.

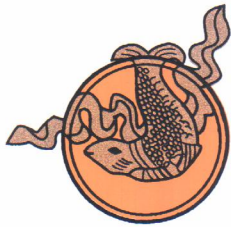
We further wish to inform you that the Board Meeting held today commenced at 1.00 p.m. and concluded at 4.00 p.m.

Kindly take the same on record.

Yours faithfully,  
Tai Industries Limited

  
Indira Biswas  
General Manager – Corporate  
& Company Secretary

Encl: As above



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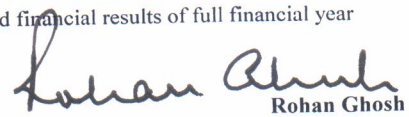
## STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2017

(₹.In lakhs)

Particulars	Quarter Ended			Year Ended	
	31.03.2017 Audited	31.12.2016 Un-audited	31.03.2016 Audited	31.03.2017 Audited	31.03.2016 Audited
<b>1. Income from Operations</b>					
(a) Net Sales / Income from Operations (Net of excise duty)	1,900.71	1,664.97	1,014.31	6,564.69	5,639.85
(b) Other Operating Income	77.23	58.98	75.72	265.63	245.41
<b>Total Income from Operations(net)</b>	<b>1,977.94</b>	<b>1,723.95</b>	<b>1,090.03</b>	<b>6,830.32</b>	<b>5,885.26</b>
<b>2. Expenses</b>					
(a) Cost of Materials consumed	-	-	-	-	-
(b) Purchase of stock-in-trade	1,711.56	1,432.73	871.85	5,592.92	4,957.85
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(13.38)	23.57	4.41	(30.55)	(36.32)
(d) Employee benefits expense	90.61	86.10	90.94	335.83	314.28
(e) Depreciation and amortisation expense	5.81	4.79	4.45	18.53	16.52
(f) Other expenses	188.34	193.46	194.96	985.05	812.65
<b>Total Expenses</b>	<b>1,982.94</b>	<b>1,740.65</b>	<b>1,166.61</b>	<b>6,901.78</b>	<b>6,064.98</b>
<b>3. Profit / (Loss) from operations before other income, finance costs &amp; exceptional items (1-2)</b>	<b>(5.00)</b>	<b>(16.70)</b>	<b>(76.58)</b>	<b>(71.46)</b>	<b>(179.72)</b>
4. Other Income	8.98	21.72	64.35	128.89	263.81
<b>5. Profit/ (Loss) from ordinary activities before finance costs &amp; exceptional items (3+4)</b>	<b>3.98</b>	<b>5.02</b>	<b>(12.23)</b>	<b>57.43</b>	<b>84.09</b>
6. Finance Costs	-	-	-	-	-
<b>7. Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5+6)</b>	<b>3.98</b>	<b>5.02</b>	<b>(12.23)</b>	<b>57.43</b>	<b>84.09</b>
8. Exceptional Items	-	-	-	-	-
<b>9. Profit / (Loss) from ordinary activities before tax (7+8)</b>	<b>3.98</b>	<b>5.02</b>	<b>(12.23)</b>	<b>57.43</b>	<b>84.09</b>
10. Tax Expense	3.41	-	(12.18)	3.40	(9.17)
<b>11. Net Profit / (Loss) from ordinary activities after tax (9 ±10)</b>	<b>0.57</b>	<b>5.02</b>	<b>(0.05)</b>	<b>54.03</b>	<b>93.26</b>
12. Extraordinary Items (Net of Tax Expenses)	-	-	-	-	-
<b>13. Net Profit / (Loss) for the period (11±12)</b>	<b>0.57</b>	<b>5.02</b>	<b>(0.05)</b>	<b>54.03</b>	<b>93.26</b>
14. Paid-up equity share capital (Face Value -₹ 10 per share)	600.00	600.00	600.00	600.00	600.00
15. Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	1,252.19	1,198.16
16. (i) Earnings per Share (before extraordinary items)					
(a) Basic (₹)	0.01	0.08	(0.00)	0.90	1.55
(b) Diluted (₹)	0.01	0.08	(0.00)	0.90	1.55
16.(ii) Earnings per Share (after extraordinary items)					
(a) Basic (₹)	0.01	0.08	(0.00)	0.90	1.55
(b) Diluted (₹)	0.01	0.08	(0.00)	0.90	1.55

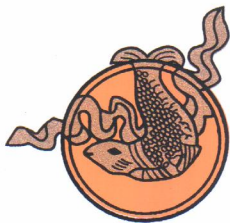
### Notes:

- The above results were reviewed by the Audit Committee and the same were approved by the Board of Directors at their Meeting held on 25th May 2017.
- The management is taking necessary steps to realise/adjust old outstanding debts/advances on the basis of reconciliation of accounts with parties.
- Figures for previous year /period have been re-grouped/restated wherever necessary to conform to current year's / period's classification.
- Figures in respect of the results for the quarter ended March 31, 2017 are the balancing figures between the audited financial results of full financial year and the published year to date figures upto the third quarter of the respective financial year.

  
 Rohan Ghosh  
 (Managing Director)  
 (DIN:-00032965)

Place : Kolkata  
 Date : 25th May 2017





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**SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE YEAR ENDED 31ST MARCH 2017**

Particulars	Quarter Ended			Year Ended	
	31.03.2017 Audited	31.12.2016 Un-audited	31.03.2016 Audited	31.03.2017 Audited	31.03.2016 Audited
<b>1. Segment Revenue</b>					
(a) Net Sales/ income from Operations					
Druk	1,485.07	1,168.08	632.67	4,852.58	4,118.75
C3-Retail	492.87	555.87	457.36	1,977.74	1,766.51
	1,977.94	1,723.95	1,090.03	6,830.32	5,885.26
Less : Inter Segment Revenue	-	-	-	-	-
<b>Total Income from Operations</b>	<b>1,977.94</b>	<b>1,723.95</b>	<b>1,090.03</b>	<b>6,830.32</b>	<b>5,885.26</b>
(b) Other Income					
Druk	7.63	17.01	57.42	115.99	250.32
C3-Retail	1.35	4.71	6.93	12.90	13.49
<b>Total Other Income</b>	<b>8.98</b>	<b>21.72</b>	<b>64.35</b>	<b>128.89</b>	<b>263.81</b>
<b>Total Revenue</b>	<b>1,986.92</b>	<b>1,745.67</b>	<b>1,154.38</b>	<b>6,959.21</b>	<b>6,149.07</b>
<b>2. Segment Results (Profit) (+)/Loss (-) before Tax and interest from each segment</b>					
Druk	(5.77)	(9.40)	(24.21)	16.18	50.66
C3-Retail	9.75	14.42	11.98	41.25	33.43
<b>Total</b>	<b>3.98</b>	<b>5.02</b>	<b>(12.23)</b>	<b>57.43</b>	<b>84.09</b>
Less :					
(i) Interest	-	-	-	-	-
(ii) Other Un-allocable Expenditure net off	-	-	-	-	-
(iii) Un-allocable Income	-	-	-	-	-
<b>Total Profit Before Tax</b>	<b>3.98</b>	<b>5.02</b>	<b>(12.23)</b>	<b>57.43</b>	<b>84.09</b>
<b>3. Capital Employed (Segment assets - Segment Liabilities)</b>					
Druk	3,319.44	3,328.62	3,342.78	3,319.44	3,342.78
C3-Retail	(1,467.25)	(1,477.00)	(1,508.51)	(1,467.25)	(1,508.51)
<b>Total</b>	<b>1,852.19</b>	<b>1,851.62</b>	<b>1,834.27</b>	<b>1,852.19</b>	<b>1,834.27</b>

Place : Kolkata  
 Date : 25th May 2017



*Rohan Ghosh*  
 Rohan Ghosh  
 (Managing Director)  
 (DIN:-00032965)



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## STATEMENT OF ASSETS AND LIABILITIES

(₹ in lakhs)

Particulars	As at 31st March 2017 (Audited)	As at 31st March 2016 (Audited)
<b>A. EQUITY AND LIABILITIES</b>		
1 Shareholder's funds		
(a) Share Capital	600.00	600.00
(b) Reserve & Surplus	1,252.19	1,198.16
(c) Money received against share warrants	-	-
Sub total -Shareholders' funds	<b>1,852.19</b>	<b>1,798.16</b>
2 Share Application money pending allotment	-	-
3 Minority Interest	-	-
4 Non-current liabilities		
(a) Long term borrowings	-	-
(b) Deferred tax liabilities (net)	-	-
(c) Other long term liabilities	28.75	35.60
(d) Long term provisions	78.86	63.56
Sub total -Non current liabilities	<b>107.61</b>	<b>99.16</b>
5 Current liabilities		
(a) Short-term borrowings	-	-
(b) Trade Payables	3,228.64	3,472.80
(c) Other current liabilities	622.41	579.00
(d) Short term provisions	41.59	66.80
Sub total - Current liabilities	<b>3,892.64</b>	<b>4,118.60</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>5,852.44</b>	<b>6,015.92</b>
<b>B. ASSETS</b>		
1 Non-current assets		
(a) Fixed assets	190.22	82.97
(b) Goodwill on consolodation	-	-
(c) Non current investment	86.22	86.34
(d) Deferred tax assets (net)	6.67	12.01
(e) Long-term loans and advances	1,283.91	1,286.69
(f) Other non-current assets	0.00	3.79
Sub total -Non current assets	<b>1,567.02</b>	<b>1,471.80</b>
2 Current assets		
(a) Current Investments	-	-
(b) Inventories	277.44	246.89
(c) Trade Receivables	3,376.04	3,536.12
(d) Cash & cash equivalents	207.66	305.08
(d) Short-term loans and advances	422.29	453.44
(e) Other current assets	1.99	2.59
Sub total Current assets	<b>4,285.42</b>	<b>4,544.12</b>
<b>TOTAL - ASSETS</b>	<b>5,852.44</b>	<b>6,015.92</b>

*Rohan Ghosh*

Rohan Ghosh  
 (Managing Director)  
 (DIN:-00032965)

Place : Kolkata  
 Date : 25th May 2017



**TAI INDUSTRIES LIMITED**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31<sup>ST</sup> MARCH, 2017**

**K A M G & ASSOCIATES**

**Chartered Accountants**

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**Tai Industries Limited**

### Report on the Financial Statements

We have audited the accompanying financial statements of Tai Industries Limited (*"the Company"*), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information .

### 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 Companies Act, 2013 (*"the Act"*) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.



# KAMG & ASSOCIATES

Chartered Accountants

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of affairs of the Company as at 31<sup>st</sup> March, 2017, and its profit and its cash flows for the year ended on that date.

## Emphasis Of Matters

We draw attention to note no 25.5 (ii) of Other Notes to the Financial Statements where management has stated about its efforts to reconcile and trace the relevant papers and documents which could not be made available to us for adequate verification and confirmation. In view of the continuing efforts of the management which were documented in the normal course, our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.



2. As required by Section 143 (3) of the Act, we report, to the extent applicable, 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 except documents and papers relating to old outstanding debtors reconciliation and confirmation.
  - 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer our separate Report in "Annexure B".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25.1 of other Notes to Accounts;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



# KAMG & ASSOCIATES

Chartered Accountants

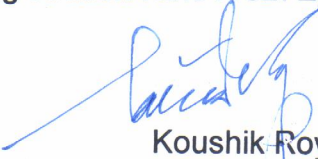
h) As required by notification no G.S.R. 307(E) dated 30<sup>th</sup> March, 2017 issued by Ministry of Corporate affairs (MCA), we report that the Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 as per notification no G.S.R. 308(E) dated 30<sup>th</sup> March, 2017 and the same are in accordance with the books of account maintained by the Company. (Refer Note No 25.12 of Other Notes to Accounts).



Place: Kolkata

Date: 25<sup>th</sup> May, 2017

For KAMG & Associates  
Chartered Accountants  
(Firm's Registration No.311027E)

  
Koushik Roy  
Partner  
Membership No. 50066

## Annexure-A

### Annexure to the Auditor's Report

#### (Referred to in Paragraph 1 of 'Report on Other Legal and Regulatory Requirements' 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 regular programme of physical verification of fixed Assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were stated to be verified during the year and no material discrepancies were stated noticed on such verification. In our opinion, this frequency of physical verification as stated is reasonable having regard to the size of the Company and nature of business.
- (c) The title deed of immoveable properties is held in the name of the Company.
- (ii) The Inventory has been physically verified and certified by the management at the year end. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on such verification were not material and have been properly dealt within the books of account.
- (iii) On the basis of examination of books of account of the Company and on the basis of information and explanation 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 Act. Therefore, clauses (iii) (a), (b) and (c) of the aforesaid Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, during the year the Company has not given loans, made investments, given guarantees and provided securities covered by provisions of section 185 and 186 of the Act.
- (v) The Company has not accepted any deposits from public during the year, within the meaning of the directives issued by The Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Moreover, no order has been passed by Company Law board or National Company Law Tribunal or The Reserve Bank of India or any other court or tribunal.
- (vi) The Central Government has not specified maintenance of cost records under sub section (i) of section 148 of the Companies Act for any of the products of the Company.

# KAMG & ASSOCIATES

Chartered Accountants

- (vii) (a) According to the information and explanations given to us and from the records of the Company examined by us, the Company has been regular in depositing undisputed statutory dues including Provident fund, Employees' state insurance, Income tax, Sales tax, Service tax, duty of Customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. On the basis of checking of records of the Company and according to the information and explanations given to us, there were no arrears of statutory dues as on the last day of the financial year concerned outstanding for a period of more than six months from the date they became payable.
- (b) On the basis of checking of records of the Company and according to the information and explanations given to us, there were no dues of income tax, sales tax, service tax, duty of Customs, duty of excise, value added tax, cess as on the last day of the financial year concerned which have not been deposited on account of any dispute.
- (viii) On the basis of records of the Company examined by us, there is no loan outstanding to financial institution, bank, government or dues to debenture holders. Therefore, clause (viii) of the aforesaid Order is not applicable to the Company.
- (ix) On the basis of records of the Company examined by us, the Company has not raised money by way of initial public offer or further public offer including debt instruments and term loan during the year. Therefore, the clause (ix) of the aforesaid Order is not applicable to the Company.
- (x) During the course of our examination of the records of the Company, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees noticed or reported during the year nor have we been informed of any such case by the management.
- (xi) On the basis of our examination of the records of the Company, 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.
- (xii) The Company is not a Nidhi Company. Therefore, clause (xii) of the aforesaid Order is not applicable to the Company.
- (xiii) On the basis of our examination of the books of account of the Company and according to the information and explanations given to us, the transactions entered with the related parties are in compliance with section 177 and 188 of the Act and the same has been disclosed in the Financial Statements as required by the applicable Accounting Standards.



# KAMG & ASSOCIATES


Chartered Accountants

- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) On the basis of our examination of the records of the Company and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, clause (xvi) of the aforesaid Order is not applicable to the Company.



Place : Kolkata  
Date : 25<sup>th</sup> May, 2017

**For KAMG & Associates**  
Chartered Accountants  
(Firm's Registration Number :311027E)

  
Koushik Roy  
Partner  
Membership No. 050066

## Annexure B

### ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF TAI INDUSTRIES LIMITED

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

##### Report on the Financial Statements

We have audited the internal financial controls over financial reporting of Tai Industries Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the 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 laying down and maintaining internal financial controls based on 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 Standards on Auditing, to the extent applicable to an audit of internal financial controls and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note"), 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 includes 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 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.



# KAMG & ASSOCIATES

Chartered Accountants

## Inherent Limitations of Internal Financial Controls over Financial Reporting

In view 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 generally maintained, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 and on behalf of

**KAMG & Associates**

Chartered Accountants

Firm Registration No. 311027E



(Koushik Roy)

Partner

Membership No. 050066

Kolkata, The 25<sup>th</sup> May, 2017