

# LARK TRADING & FINANCE LIMITED

CIN: L34102UP1987PLC009222

REGISTERED OFFICE: 101, SURYA BAGH, SURYA COMPLEX, PHASE II, MAHAMOORGUNJ, VARANASI, UTTAR PRADESH 221010

PHONE: +91 0542-2220331; E-MAIL: SHRUTI.SARAOGI@REDIFFMAIL.COM

WEBSITE: WWW.LARKTRADING.IN

May 30, 2017

To,  
**Metropolitan Stock Exchange of India Limited**  
Vibgyor Towers, 4th floor,  
Plot No C 62, G - Block,  
Opp. Trident Hotel,  
Bandra Kurla Complex, Bandra (E),  
Mumbai – 400 098, India.

To,  
**The Calcutta Stock Exchange Limited**  
7, Lyons Range,  
Kolkata- 700 001

**Scrip Symbol: LARK**

**Scrip Code: 022126**

**Scrip Name: Lark Trading & Finance Ltd**

Dear Sir/Madam,

**Sub: Audited financial Results for the quarter and year ended March 31, 2017**

Further to our letter dated May 17, 2017, and pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the Board of Directors of the Company at its meeting held on May 30, 2017, inter alia, considered and approved the Audited Financial Results of the Company for the quarter and year ended March 31, 2017. A copy of the same is enclosed herewith for your information and record.

We are also enclosing herewith Auditors Report on Audited Standalone Financial Statement of the Company for the quarter and year ended March 31, 2017.

Further, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we hereby confirm that the Reports of Auditors are with unmodified opinion with respect to the Audited Financial Results of the Company for the quarter and financial year ended March 31, 2017.

Further, pursuant to Regulation 33 of the Listing Regulations, the Audited Financial Results for the quarter and year ended March 31, 2017 are also available on the Company's website and on the Metropolitan Stock Exchange of India Limited's website. viz. [www.larktrading.in](http://www.larktrading.in) and [www.msei.in](http://www.msei.in).

Kindly take the above information on record and disseminate.

**For Lark Trading & Finance Limited**

  
Director  
Ankit Tayal  
DIN 03055997

Encl. as above

**LARK TRADING AND FINANCE LIMITED**

Regd. Office: Flat No. 101, Surya Complex Phase - II, Surya Bagh, Mahmoorganj, Varanasi - 221010 (UP)

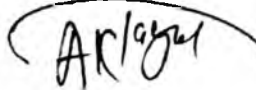
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STATEMENT OF AUDITED RESULTS FOR THE 4RD QUARTER AND TWELVE MONTHS ENDED 31.03.2017						(Rs. in Lakhs)
Sl no.	Particulars	Quarter ended			Year ended	
		Unaudited			Audited	
		31.03.2017 (Refer Note - 2)	31.12.2016	31.03.2016 (Refer Note - 2)	31.03.2017	31.03.2016
<b>1</b>	<b>INCOME FROM OPERATIONS</b>					
(a)	Net Sales Income from Operations (Net of Excise Duty)	2.29	3.56	5.05	6.04	5.05
(b)	Other Operating Income	19.93	5.13	0.63	36.03	2.63
	<b>Total Income from Operations (Net)</b>	<b>22.22</b>	<b>8.69</b>	<b>5.68</b>	<b>42.07</b>	<b>7.68</b>
<b>2</b>	<b>EXPENSES</b>					
(a)	Cost of material consumed	0.02	1.87	2.31	2.63	2.29
(b)	Purchase of stock in trade	-	-	-	-	-
(c)	Changes in inventories of finished goods, work-in-progress, and stock-in-trade	-	-	-	-	-
(d)	Employee benefit expense	0.50	0.33	0.58	1.25	1.25
(e)	Depreciation and amortization expense	-	-	-	-	-
(f)	Other expenses (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	3.17	0.57	1.55	13.41	8.00
	<b>Total Expenses</b>	<b>3.69</b>	<b>2.77</b>	<b>4.44</b>	<b>17.29</b>	<b>11.54</b>
<b>3</b>	<b>Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>18.53</b>	<b>5.92</b>	<b>1.24</b>	<b>24.78</b>	<b>(3.86)</b>
<b>4</b>	<b>Other Income</b>	<b>0.04</b>	<b>-</b>	<b>-</b>	<b>0.04</b>	<b>-</b>
<b>5</b>	<b>Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 ± 4)</b>	<b>18.57</b>	<b>5.92</b>	<b>1.24</b>	<b>24.82</b>	<b>(3.86)</b>
<b>6</b>	<b>Finance Costs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>7</b>	<b>Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)</b>	<b>18.57</b>	<b>5.92</b>	<b>1.24</b>	<b>24.82</b>	<b>(3.86)</b>
<b>8</b>	<b>Exceptional Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9</b>	<b>Profit / (Loss) from ordinary activities before tax (7 ± 8)</b>	<b>18.57</b>	<b>5.92</b>	<b>1.24</b>	<b>24.82</b>	<b>(3.86)</b>
<b>10</b>	<b>Tax Expense</b>	<b>6.58</b>	<b>-</b>	<b>-</b>	<b>6.58</b>	<b>-</b>
<b>11</b>	<b>Net Profit / (Loss) from ordinary activities after tax (9 ± 10)</b>	<b>11.99</b>	<b>5.92</b>	<b>1.24</b>	<b>18.24</b>	<b>(3.86)</b>
<b>12</b>	<b>Extraordinary items (net of tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13</b>	<b>Net Profit / (Loss) for the period (11 ± 12)</b>	<b>11.99</b>	<b>5.92</b>	<b>1.24</b>	<b>18.24</b>	<b>(3.86)</b>
<b>14</b>	<b>Paid-up equity share capital (Face Value of Rs. 10/- each)</b>	<b>526.00</b>	<b>50.00</b>	<b>50.00</b>	<b>526.00</b>	<b>50.00</b>
<b>15</b>	<b>Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>143.79</b>	<b>5.54</b>
<b>16 i</b>	<b>Earnings Per Share (before extraordinary items) (of Rs. 10/- each) (not annualised):</b>					
(a)	Basic	0.23	1.18	0.25	0.35	(0.77)
(b)	Diluted	0.23	1.18	0.25	0.35	(0.77)
<b>16 ii</b>	<b>Earnings Per Share (after extraordinary items) (of Rs. 10/- each) (not annualised):</b>					
(a)	Basic	0.23	1.18	0.25	0.35	(0.77)
(b)	Diluted	0.23	1.18	0.25	0.35	(0.77)

**Notes:**

- The figures of the corresponding previous period/year have been regrouped/recast/reclassified wherever considered necessary to correspond to current period/year classification
- The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial years and the unaudited published year to date figures upto the third quarter of the current and previous financial years.
- The audited Financial results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors of the Company held on 30th May 2017.
- Company has only one segment and hence no separate segment result has been given.
- This statement is as per Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

By order of the Board  
For Lark Trading & Finance Limited



Ankit Tayal  
Director  
DIN : 03055997

Place : Varanasi  
Date : 30th May 2017

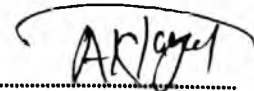
## LARK TRADING AND FINANCE LIMITED

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CIN:-L34102UP1987PLC009222 , Website: WWW.LARKTRADING.IN

STATEMENT OF ASSETS AND LIABILITIES AS ON 31 MARCH, 2017		(Rs. In Lakhs)	
Particulars	March 31, 2017	March 31, 2016	
	(Audited)	(Audited)	
<b>A EQUITY AND LIABILITIES</b>			
<b>1 SHAREHOLDERS' FUND</b>			
(a) Share Capital	526.00	50.00	
(b) Reserve & Surplus	142.79	5.54	
(c) Money received against share warrants	-	148.75	
<b>Shareholder' Funds</b>	<b>668.79</b>	<b>204.29</b>	
<b>2 SHARE APPLICATION MONEY PENDING ALLOTMENT</b>			
<b>3 NON-CURRENT LIABILITIES</b>			
(a) Long-term borrowings	-	-	
(b) Deferred tax liabilities(net)	-	-	
(c) Other long-term liabilities	-	-	
(d) Long-term provisions	-	-	
<b>Non-Current Liabilities</b>	<b>-</b>	<b>-</b>	
<b>4 CURRENT LIABILITIES</b>			
(a) Short Term Borrowings	-	-	
(b) Trade Payables	0.15	0.13	
(c) Other Current Liabilities	2.51	0.77	
(d) Other short term provisions	6.38	0.23	
<b>Current Liabilities</b>	<b>9.04</b>	<b>1.13</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>677.83</b>	<b>205.42</b>
<b>B ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
(a) Fixed Assets	0.02	0.02	
(b) Non-current Investment	-	35.05	
(c) Deferred tax assets(net)	-	-	
(d) Long Term Loans & Advances	664.84	93.79	
(e) Other non-current assets	-	-	
<b>Non-Current Assets</b>	<b>664.86</b>	<b>128.86</b>	
<b>2 CURRENT ASSETS</b>			
(a) Current investments	-	-	
(b) Inventories	-	2.63	
(c) Trade Receivables	-	-	
(d) Cash & Bank Balances	12.58	71.26	
(e) Short Term Loans & Advances	-	2.28	
(f) Other Current Assets	0.39	0.39	
<b>Current Assets</b>	<b>12.97</b>	<b>76.56</b>	
<b>TOTAL ASSETS</b>		<b>677.83</b>	<b>205.42</b>

By order of the Board  
For Lark Trading & Finance Limited



Ankit Taya  
Director  
DIN : 03055997

Place : Varanasi  
Date : 30th May 2017



# Salarpuria & Partners

CHARTERED ACCOUNTANTS  
7, C. R. AVENUE, KOLKATA - 700 072  
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Branches at New Delhi & Bangalore

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LARK TRADING & FINANCE LIMITED

### Report on the Financial Statements

We have audited the accompanying standalone financial statements of **Lark Trading & Finance 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 Standalone 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 standalone 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 standalone 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.

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.





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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 31<sup>st</sup> March, 2017, and its Profit and its cash flows for the year ended on that date.

## 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 Companies Act,2013, we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the 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 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B".







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(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 does not have any pending litigations which would impact its financial position.
- (ii) The Company does not have any long term contracts including derivative contract as at 31<sup>st</sup> March, 2017 for which there were any material foreseeable losses.
- (iii) There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.
- (iv) The Company has provided requisite disclosures in the 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. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the management of the Company –Refer Note – 22 (5) to the financial statements.

For Salarpuria & Partners  
Chartered Accountants  
Firm Reg. No. 302113E

Nihar Ranjan Nayak

N R NAYAK  
Chartered Accountant  
Membership No. 57076  
Partner

Place: Kolkata

Date: 30<sup>th</sup> MAY, 2017





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(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 does not have any pending litigations which would impact its financial position.
- (ii) The Company does not have any long term contracts including derivative contract as at 31<sup>st</sup> March, 2017 for which there were any material foreseeable losses.
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- (iv) The Company has provided requisite disclosures in the 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. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the management of the Company –Refer Note – 22 (5) to the financial statements.

For Salarpuria & Partners  
Chartered Accountants  
Firm Reg. No. 302113E

Nihar Ranjan Nayak

N R NAYAK  
Chartered Accountant  
Membership No. -57076  
Partner

Place: Kolkata

Date: 30<sup>th</sup> MAY, 2017





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## ANNEXURE 'A' TO THE AUDITOR'S REPORT

The Annexure referred to in Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31st March, 2017, we report that:

- i) a) According to information and explanation given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. ✓
  - b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) According to explanation and information given to us the company does not have any immovable property. Hence comment on Paragraph 3(i) (c) of the said Order is not applicable.
- ii) As there is no inventory so the comments on this clause does not arise.
- iii) According to information and explanation given to us, the company has granted loans and advances to one Company covered under Section 189 of the Companies Act, 2013 ('the Act').
  - a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the companies listed in the Register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
  - b) In the case of the loans granted to the companies listed in the Register maintained under Section 189 of the Act, the borrower has been regular in the repayment of the principal and payment of the interest, wherever stipulated.
  - c) As explained to us, there are no overdue amounts in respect of loan granted to company listed in the Register maintained under Section 189 of the Act.
  - d) The maximum amount involved during the year is ₹ 4,37,04,699 and the yearend balance of such loans is ₹ 4,37,04,699.
- iv) As the company is a Non Banking Financial Company and registered with the Reserve bank of India according to the information and explanations given to us, the Company is engaged in the business of lending of Loans and Advances in the ordinary course of the business. So Compliance of provisions of section 185 and 186 of the Companies Act, 2013 does not arise. Hence comment on Paragraph 3(iv) of the said Order is not applicable.







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- v) According to the information and explanations given to us, there is no such deposits, taken by the Company, for which directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, are required to be complied with.
- vi) As explained to us by the management, this being a non banking finance company, maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 is not applicable.
- vii) (a) According to the records of the Company and as per the information and explanations given to us, It has been regular in depositing undisputed statutory dues like Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax Cess and Other Statutory Dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Value Added Tax, Duty of Customs, Service Tax, Cess and other statutory dues were in arrears as at 31st March, 2017 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 were no statutory dues which have not been deposited on account of any dispute, with appropriate authorities.
- viii) The Company does not have any loans or borrowings from any financial institutions, banks, government or debenture holders during the year. Accordingly, Paragraph 3(viii) of the Order is not applicable.
- ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, comment on Paragraph 3(ix) of the Order is not applicable.
- x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officer or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations given to us and based on our examination of the records of the Company, no managerial remuneration has been paid or provided by the Company. Accordingly Paragraph 3(xi) of the said Order is not applicable.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly Paragraph 3(xii) of the Order is not applicable.





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- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and based on our examination of the record of the Company, the Company has made private placement of convertible share warrant which has converted and allotted in equity shares of ₹ 10/- each during the year and requirement of section 42 of the Companies Act 2013 as explained to us have been complied with.
- xv) According to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or persons connected with him. Accordingly, Paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is Non Banking Finance Company and obtained Registration under Section 45-IA of Reserve Bank of India Act, 1934.

For Salarpuria & Partners  
Chartered Accountants  
Firm Reg. No. 302113E

Nihar Ranjan Nayak

N R NAYAK  
Chartered Accountant  
Membership No.-57076  
Partner

Place: Kolkata

Date: 30<sup>th</sup> MAY, 2017





# Salarpuria & Partners

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## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (l) 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 Lark Trading & Finance Limited ("the Company") as of 31<sup>st</sup> March, 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 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.







# Salarpuria & Partners

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## 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<sup>st</sup> March 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 Salarpuria & Partners  
Chartered Accountants  
Firm ICAI Reg. No. 302113E

Nihar Ranjan Nayak

N. R. Nayak  
Chartered Accountant  
Membership No - 57076  
Partner

Place: Kolkata

Date: 30<sup>th</sup> MAY, 2017

