

The Secretary,
M/s.BSE Ltd.
Phiroze Jeejeebhoy Tower
Dalal Street
MUMBAI - 400 001

Ref : KEL/SEC/BSE/2021-22.

Dated : 4th June, 2021.

Dear Sir,

Sub : Audited Financial Results for the year ended 31.3.2021.

Further to our letter of even reference dated 26th May, 2021 on the above subject.

Please find enclosed herewith the copy of Audited Financial Results for the year ended 31.3.2021 along with the Auditors Report as on that date of Keltech Energies Ltd. issued by M/s.Khimji Kunverji & Company LLP, Mumbai, for your reference and records.

Please acknowledge receipt.

Thanking you,

Yours faithfully,
For KELTECH ENERGIES LTD.



Encl : A/A.



KELTECH ENERGIES LIMITED
 Regd. Office : Embassy Icon, 7th Floor,
 NO.3, Infantry Road, Bangalore-560 001
 CIN : L30007KA1977PLC031660



Audited Financial Results for the Quarter and Year Ended 31st March, 2021

(INR in Lakhs)

| Sl. No. | Particulars | Quarter Ended | | | Year Ended | |
|---------|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | | 31.03.2021 (Audited) | 31.12.2020 (Un-audited) | 31.03.2020 (Audited) | 31.03.2021 (Audited) | 31.03.2020 (Audited) |
| 1 | Revenue from Operations | 7,399.41 | 5,920.65 | 4,938.10 | 22,019.45 | 21,588.23 |
| 2 | Other Income | 8.56 | 9.06 | 9.85 | 40.49 | 38.86 |
| 3 | Total Income (1+2) | 7,407.97 | 5,929.71 | 4,947.95 | 22,059.94 | 21,627.09 |
| 4 | Expenses: | | | | | |
| | (a) Cost of Materials Consumed | 4,992.17 | 3,772.84 | 3,179.81 | 13,681.06 | 12,997.30 |
| | (b) Purchase of stock-in-trade | 230.60 | 271.43 | 300.19 | 839.25 | 1,014.86 |
| | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 64.65 | -12.59 | 50.39 | 143.82 | -68.85 |
| | (d) Employees benefits expense | 437.35 | 441.45 | 413.84 | 1,632.01 | 1,513.11 |
| | (e) Finance Costs | 61.30 | 49.58 | 70.97 | 227.00 | 244.40 |
| | (f) Depreciation and amortisation expense | 138.28 | 138.69 | 133.38 | 536.24 | 556.98 |
| | (g) Other Expenses | 1,333.38 | 1,137.93 | 1,246.31 | 4,375.19 | 4,747.37 |
| | Total Expenses (4) | 7,257.73 | 5,799.33 | 5,394.89 | 21,434.57 | 21,005.17 |
| 5 | Profit/(Loss) before exceptional items and tax (3 - 4) | 150.24 | 130.38 | -446.94 | 625.37 | 621.92 |
| 6 | Exceptional items | 317.76 | - | - | 317.76 | - |
| 7 | Profit/(Loss) before tax (5 - 6) | -167.52 | 130.38 | -446.94 | 307.61 | 621.92 |
| 8 | Income tax expense | | | | | |
| | i) Current tax | -21.41 | 38.00 | -89.06 | 136.59 | 218.94 |
| | ii) Deferred tax | 20.78 | -5.60 | -11.96 | -16.55 | -70.94 |
| | Total tax expense | -0.63 | 32.40 | -101.02 | 120.04 | 148.00 |
| 9 | Profit/(Loss) for the period (7 - 8) | -166.89 | 97.98 | -345.92 | 187.57 | 473.92 |
| 10 | Other Comprehensive Income | | | | | |
| | i) Remeasurements of post-employment to profit or loss | 26.60 | -10.00 | -47.78 | -3.40 | -62.78 |
| | ii) Income tax relating to these items | -6.70 | 2.51 | 11.99 | 0.85 | 15.77 |
| | Other comprehensive income for the period (net of tax) [10] | 19.90 | -7.49 | -35.79 | -2.55 | -47.01 |
| 11 | Total comprehensive income for the period (9 + 10) | -146.99 | 90.49 | -381.71 | 185.02 | 426.91 |
| 12 | Earning Per Share (EPS) (In Rs.) | | | | | |
| | Basic and diluted EPS | -16.69 | 9.80 | -34.59 | 18.76 | 47.39 |



Notes:-**1. Audited Segment wise Revenue, Results, Assets and Liabilities for the Quarter and Year Ended 31st March, 2021****QUARTERLY REPORTING OF SEGMENT WISE REVENUE, RESULTS,
ASSETS AND LIABILITIES**

(INR in Lakhs)

| Sl. No. | Particulars | Quarter Ended | | | Year Ended | |
|---------|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | | 31.03.2021 (Audited) | 31.12.2020 (Un-audited) | 31.03.2020 (Audited) | 31.03.2021 (Audited) | 31.03.2020 (Audited) |
| 1 | SEGMENT REVENUE | | | | | |
| | Gross Income from Operations | | | | | |
| | 1) Explosives | 6,310.04 | 4,953.32 | 4,243.00 | 18,452.79 | 17,815.01 |
| | 2) Perlite | 848.05 | 718.00 | 600.45 | 2,684.21 | 2,780.46 |
| | 3) Other Operating Revenue (Un-allocable) | 241.32 | 249.33 | 94.65 | 882.45 | 992.76 |
| | TOTAL | 7,399.41 | 5,920.65 | 4,938.10 | 22,019.45 | 21,588.23 |
| | Less: Inter Segment Sales | | | | | |
| | 1) Explosives | - | - | - | - | - |
| | 2) Perlite | - | - | - | - | - |
| | Net Income from Operations | 7,399.41 | 5,920.65 | 4,938.10 | 22,019.45 | 21,588.23 |
| 2 | Segment Result before Tax and Interest | | | | | |
| | 1) Explosives | -210.50 | 185.02 | -278.97 | 255.70 | 298.33 |
| | 2) Perlite | -0.31 | -138.55 | -88.48 | -154.07 | 60.77 |
| | Total | -210.81 | 46.47 | -367.45 | 101.63 | 359.10 |
| | Less: (i) Interest | 39.94 | 36.98 | 42.99 | 158.11 | 169.02 |
| | Add: (i) Un-allocable Income | 83.23 | 120.89 | -36.50 | 364.09 | 431.84 |
| | Total Profit before tax | -167.52 | 130.38 | -446.94 | 307.61 | 621.92 |
| 3 | Segment Assets | | | | | |
| | 1) Explosives | 9,791.63 | 9,352.24 | 8,957.24 | 9,791.63 | 8,957.24 |
| | 2) Perlite | 2,344.04 | 2,275.16 | 2,558.03 | 2,344.04 | 2,558.03 |
| | 3) Un-allocable Assets | 2,011.55 | 1,762.48 | 1,680.96 | 2,011.55 | 1,680.96 |
| | Total Segment Assets | 14,147.22 | 13,389.88 | 13,196.23 | 14,147.22 | 13,196.23 |
| 4 | Segment Liabilities | | | | | |
| | 1) Explosives | 3,992.47 | 3,060.46 | 3,376.54 | 3,992.47 | 3,376.54 |
| | 2) Perlite | 286.27 | 286.85 | 479.10 | 286.27 | 479.10 |
| | 3) Un-allocable Liabilities | 3,481.30 | 3,508.39 | 3,123.43 | 3,481.30 | 3,123.43 |
| | Total Segment Liabilities | 7,760.04 | 6,855.70 | 6,979.07 | 7,760.04 | 6,979.07 |

2. The Above Financial Results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on 04th June, 2021 and are Audited by the Statutory Auditors.

3. The Company has considered the possible effects that may result from the pandemic relating to Covid-19 in the preparation of these financial results including the recoverability of carrying amounts of property, plant and equipment, receivables, inventories, investments and other assets and it does not anticipate any major challenge in meeting its financial obligations, on a long term basis. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial results, used internal and external sources of information and expects that the carrying amount of these assets will be recovered. The impact of Covid-19 on the Company's financial results may defer from that estimated as at the date of approval of these financial results.



4. Based on the inquiry conducted by Directorate of Revenue Intelligence ('DRI'), the company has paid anti-dumping duty along with interest and IGST aggregating to Rs 359.67 Lakhs on import of ammonium nitrate by one of the suppliers of the company between FY 2017-2019. Subsequently, an amount of Rs. 41.91 lakhs has been claimed towards input IGST and payment towards of Anti-Dumping Duty of Rs. 233.41 lakhs and towards interest of Rs. 84.35 lakhs has been shown as exceptional item in the financial statement. Further, the company is exploring its options including legal notice on the supplier from whom the imports were made

5. The company has opted for Amnesty Scheme under the Direct Tax Vivad Se Vishwas Act 2020 in respect of matter pertaining to Income Tax Appeal for Assessment Year 2009-10. The company paid Rs 45.70 lakhs (Rs 38.70 Lakhs paid and Rs 7 Lakhs as deposit for appeals adjusted) as per the scheme in settlement of claims of the Income Tax department.

6. The Board of Directors at its meeting held on 04 th June, 2021 proposed a dividend at the rate of Rs. 1.50/- Per share (15%) of face value of Rs.10 each, subject to approval of the members at its ensuing Annual General Meeting.

7. Previous Period figures have been re-grouped / re-classified, wherever necessary, to confirm to current period classification.



For KELTECH ENERGIES LIMITED |

Managing Director

Place : Bangalore
Date : 04th June, 2021



Statement of Assets and Liabilities as at March 31st, 2021

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---------------------------|---------------------------|
| I ASSETS | | |
| 1 Non-current assets | | |
| (a) Property, plant and equipment | 5,192.32 | 5,195.36 |
| (b) Capital work-in-progress | 568.30 | 310.49 |
| (c) Right of use Assets (ROU) | 142.28 | 156.49 |
| (d) Other intangible assets | 53.62 | 79.41 |
| (e) Financial assets | | |
| i. Investments | 0.10 | 0.10 |
| iii. Other financial assets | 155.94 | 142.33 |
| (f) Non-current tax assets | 175.18 | 165.34 |
| (g) Other non-current assets | 516.20 | 317.72 |
| Total non-current assets | 6,803.94 | 6,367.24 |
| 2 Current assets | | |
| (a) Inventories | 2,008.14 | 1,914.09 |
| (b) Financial assets | | |
| i. Trade receivables | 3,958.14 | 3,769.71 |
| ii. Cash and cash equivalents | 171.75 | 340.48 |
| iii. Bank balances other than cash & cash equivalents | 808.82 | 500.71 |
| v. Other financial assets | 64.20 | 88.80 |
| (c) Other current assets | 332.23 | 215.20 |
| Total current assets | 7,343.28 | 6,828.99 |
| Total assets | 14,147.22 | 13,196.23 |
| II EQUITY AND LIABILITIES | | |
| 1 Equity | | |
| (a) Equity share capital | 99.99 | 99.99 |
| (b) Other equity | | |
| Reserves and surplus | 6,373.29 | 6,200.72 |
| Other reserves | -86.10 | -83.55 |
| Total equity | 6,387.18 | 6,217.16 |
| LIABILITIES | | |
| 1 Non-current liabilities | | |
| (a) Financial Liabilities | | |
| i. Borrowings | 713.10 | 279.85 |
| ii. Other Financial Liabilities | 119.75 | 131.57 |
| (b) Provisions | 584.21 | 551.69 |
| (c) Deferred tax liabilities | 215.26 | 232.66 |
| Total non-current liabilities | 1,632.32 | 1,195.77 |
| 2 Current liabilities | | |



| | | | |
|-----|--|------------------|------------------|
| (a) | Financial liabilities | | |
| | i. Borrowings | 1,170.32 | 1,628.62 |
| | ii. Trade payables | | |
| | Total outstanding dues of Micro Enterprises & Small | 188.47 | 11.73 |
| | Total outstanding dues of creditors other than Micro | 3,714.02 | 3,309.40 |
| | Enterprises & Small Enterprises | | |
| | iii. Other financial liabilities | 727.22 | 590.32 |
| (b) | Other current liabilities | 196.22 | 101.15 |
| (c) | Provisions | 131.47 | 142.08 |
| (d) | Current tax liabilities (Net) | - | - |
| | Total current liabilities | 6,127.72 | 5,783.30 |
| | | | |
| | Total liabilities | 7,760.04 | 6,979.07 |
| | | | |
| | Total equity and liabilities | 14,147.22 | 13,196.23 |



| Particulars | Year ended 31 March 2021 | Year ended 31 March 2020 |
|---|-----------------------------|-----------------------------|
| Cash flow from operating activities | | |
| Profit before income tax from | | |
| Continuing operations | 307.62 | 621.92 |
| Discontinued operations | - | - |
| Profit before income tax including discontinued operations | 307.62 | 621.92 |
| Adjustments for | | |
| Depreciation and amortisation expense | 536.24 | 556.97 |
| Adjustment to finance cost | | |
| Bad debts | 40.92 | 91.93 |
| Reversal of provision for bad debt of earlier period | - | - |
| Adjustment for Other Comprehensive Income | - | - |
| Gain on disposal of property, plant and equipment | | |
| Loss (Profit) on sale of assets | -0.05 | -2.61 |
| Balances Written Back | - | -232.25 |
| Amortisation of government grants received in earlier years | - | - |
| Gain on sale of investments | - | - |
| Changes in fair value of financial assets at fair value through profit or loss | - | - |
| Other borrowing cost | 15.73 | 16.66 |
| Unwinding of discount on security deposits | - | - |
| Changes in fair value of contingent consideration | | |
| Dividend and interest income classified as investing cash flows | -40.44 | -36.25 |
| Interest Expenses | 158.11 | 169.02 |
| Reversal of prior period error adjusted in opening balance sheet | - | - |
| Adjustment for rent | - | - |
| Net exchange differences | -33.20 | -15.77 |
| Operating profit before working capital changes | 984.93 | 1,169.62 |
| Change in operating assets and liabilities, net of effects from purchase of controlled entities and sale of subsidiary: | | |
| (Increase)/Decrease in trade receivables | -188.43 | 28.69 |
| (Increase)/Decrease in inventories | -94.05 | -92.20 |
| Increase/(Decrease) in trade payables | 581.36 | -38.15 |
| (Increase) in other financial assets : loan | - | - |
| (Increase) in other financial assets | 24.60 | -20.52 |
| (Increase)/decrease in financial assets- Loans | - | - |
| (Increase)/decrease in other financial assets | -13.61 | 13.55 |
| (Increase)/decrease in financial assets-Other non current assets | -198.48 | -4.09 |
| Increase/(decrease) in long term provisions | 32.52 | 161.52 |
| Increase/(decrease) in short term provisions | -10.61 | -43.62 |
| (Increase)/decrease in other current assets | -117.03 | 72.62 |
| (Increase)/decrease in non current tax assets | - | - |
| Increase/(decrease) in other non current liabilities | -11.82 | -131.57 |
| Increase in Current tax liabilities | - | - |
| Increase/(decrease) in other financial liabilities | 136.87 | -149.27 |
| Increase/(decrease) in other current liabilities | 95.07 | -68.36 |
| Increase in bank balance other than cash and cash equivalents | -308.11 | 3.96 |
| Cash generated from operations | 913.21 | 902.18 |
| Income taxes paid | 146.29 | 353.73 |
| Net cash inflow from operating activities | 766.92 | 548.45 |
| Cash flows from investing activities | | |
| Payments for property, plant and equipment (including Capital work in Progress & intangible assets) | -724.21 | -408.28 |
| Payments for investment property | - | - |



| | | |
|---|----------------|----------------|
| Payments for purchase of investments | - | - |
| Payments for software development costs | - | - |
| Loans to employees & security deposit | - | - |
| Receipts of government grants | - | - |
| Increase/(Decrease) in FD (with more than 12 months maturity) | - | - |
| Proceeds from sale of property, plant and equipment | 0.05 | 42.25 |
| Repayment of loans by employees and related parties | - | - |
| Dividends received | - | - |
| Interest received | 40.44 | 36.25 |
| Net cash outflow from investing activities | -683.72 | -329.78 |
| Cash flows from financing activities | | |
| Proceeds from issues of shares | - | - |
| Proceeds/(Repayment) of Long term borrowings (Net) including current maturities | 433.25 | -72.28 |
| Share issue costs | - | - |
| Proceeds/(Repayment) of short term borrowings | -458.30 | 68.12 |
| Interest amount of lease liability paid | -15.73 | -16.66 |
| Principal amount of lease liability paid | -38.04 | -23.28 |
| Interest paid | -158.11 | -169.02 |
| Dividends paid to company's shareholders | -15.00 | -30.14 |
| Net cash inflow (outflow) from financing activities | -251.93 | -243.26 |
| Net increase (decrease) in cash and cash equivalents | -168.73 | -24.59 |
| Cash and cash equivalents at the beginning of the financial year | 340.48 | 365.07 |
| Effects of exchange rate changes on cash and cash equivalents | - | - |
| Cash and cash equivalents at end of the year | 171.75 | 340.48 |
| Non-cash financing and investing activities | | |
| - Acquisition of property, plant and equipment by means of finance lease | | |

Reconciliation of cash and cash equivalents as per the cash flow statement
Cash and cash equivalents as per above comprise of the following

| Particulars | Year ended 31 March 2021 | Year ended 31 March 2020 |
|--|-----------------------------|-----------------------------|
| Balance with banks : | | |
| On current account | 166.42 | 242.53 |
| On flexi deposit account | 0.00 | 87.50 |
| Bank deposits with original maturity of less than 3 months | 0.00 | 0.00 |
| Cheques, drafts on hand | 0.75 | 3.65 |
| Cash on hand | 4.58 | 6.80 |
| Balances per statement of cash flows | 171.75 | 340.48 |



Independent Auditors' Report on Quarterly and Year to Date Financial Results Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of
Keltech Energies Limited

Opinion

1. We have audited the accompanying annual financial results of Keltech Energies Limited (hereinafter referred to as the "Company") for the year ended March 31, 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended March 31, 2021.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs 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 opinion on the annual financial results.

Emphasis of Matter

3. Attention is drawn to Note 3 of the annual financial results which describes the impacts of COVID-19 Pandemic on the financial results as also on business operations of the Company, assessment thereof by the management of the Company based on its internal, external and macro factors, involving certain estimation uncertainties. Our opinion is not modified in respect of this matter.



Management's and Board of Directors' Responsibilities for the Annual Financial Results

4. These annual financial results have been prepared on the basis of the annual financial statements.

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Annual Financial Results that give a true and fair view of the state of affairs, profit and other comprehensive income, and other information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, the Management and the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Management and the Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Annual Financial Results

5. Our objectives are to obtain reasonable assurance about whether the Annual Financial Results, 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 Annual Financial Results. Our audit process in accordance with the SAs is narrated in detail in Annexure 1 to this report.

Other Matters

6. The entire audit finalization process was carried from remote locations i.e. other than the office/plant of the Company where books of account and other records are kept, based on data/details or financial information provided to us through digital medium, owing to lockdown and restrictions on movements imposed by the Governments to restrict the spread of COVID19. Being constrained, we resorted to and relied upon the results of the related alternate audit procedures to obtain appropriate audit evidence for the significant matters in course of our audit. Our report is not modified in respect of this matter.



7. The annual financial results include the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **Khimji Kunverji & Co LLP**
Chartered Accountants
FRN: 105146W/W-100621



Hasmukh B Dedhia
Partner
Membership No: 033494

UDIN: 21033494AAAHT1315

Place: Mumbai
Date: June 4, 2021

Annexure 1
(referred to in paragraph 5 of Independent Auditors' Report)

As part of our 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 Annual Financial Results, whether due to fraud or error, to 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 in the Annual financial Results made by the Management and Board of Directors
- Conclude on the appropriateness of the Management and Board of Directors 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 Annual Financial Results 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 Annual Financial Results, including the disclosures, and whether the Annual Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

