

**M. L. BHUWANIA & CO.**

Chartered Accountants

F-11, 3rd floor, Manek Mahal

90, Veer Nariman Road,

Churchgate

Mumbai - 400 020, India.

T : +91 22 6117 4949

F : +91 22 6117 4950

E : info@mlbca.in

www.mlbca.in

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of THE INDIAN LINK CHAIN MANUFACTURES LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **THE INDIAN LINK CHAIN MANUFACTURES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of 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 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 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.

### **Auditors' 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 thereunder.

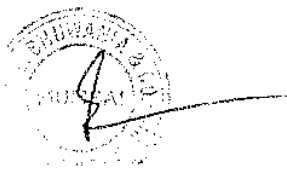
We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material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

For The Indian Link Chain Mfrs. Ltd



P. K. Nevatia  
Managing Director



order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has an adequate internal controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of 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 the state of affairs of the company as at 31<sup>st</sup> March, 2015 and its loss and its cash flows for the year ended on that date.

### **Emphasis of Matter**

We draw attention to Note No. 29 of the Financial Statement which mentions that considering the size of the business of the Company, the Company has not appointed Company Secretary and Chief Financial Officer as required by sub section 1 of Section 203 of the Companies Act, 2013. The consequences if any have not been quantified. Our report is not qualified in respect of this matter.

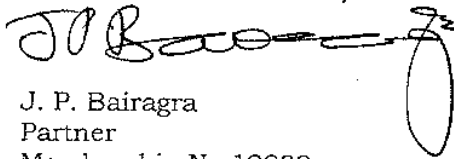
### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 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 purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as 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 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.



- f. 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 No. 13(A) to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

For and on behalf of  
M. L. Bhuwania & Co.  
Chartered Accountants  
Firm's Registration No. 101484W



J. P. Bairagra  
Partner  
Membership No.12839

Place: Mumbai

Date:

27 MAY 2015

F- 11, 3rd Floor, Manek Mahal,  
90, Veer Nariman Road, Churchgate,  
Mumbai - 400 020, India.



**Annexure referred to in paragraph titled as "Report on other Legal and Regulatory Requirements" of Auditor's report to the members the Indian Link Chain Manufactures Limited for the year ended 31st March 2015.**

On the basis of the records produced to us for our verification / perusal, such checks as we considered appropriate, and in terms of information and explanation given to us on our enquiries, we state that:

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and discrepancies noticed between the book records and the physical inventories were not material and have been properly dealt with in the accounts.
- (ii) (a) The company does not have any inventory during the year. Accordingly, clause 3 (ii) (a) and 3 (ii) (b) of the Order is not applicable to the Company.
- (b) On the basis of our examination of the records of inventories, we are of the opinion that the Company is maintaining proper records of inventories. Since the company does not have any inventory during the year, the issue of discrepancies on account of physical verification does not arise.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firm or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3 (iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods. The company has not provided any services during the year. During the course of our audit no continuing failure to correct major weakness in such internal controls system has been observed.
- (v) The Company has not accepted any deposits from the public. Accordingly, clause 3 (v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed maintenance of cost records for the company under sub section (1) of section 148 of the Companies Act, 2013. Accordingly, clause 3 (vi) of the Order is not applicable to the Company.
- (vii) (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Customs Duty, Cess and other statutory dues applicable to it with the appropriate authorities except undisputed amounts were outstanding at the year end for a period of more than six months from the date they became payable in respect of Custom Duty of Rs. 36,41,450/-.



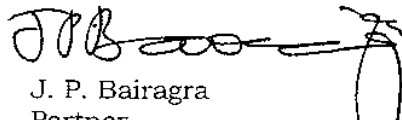
- (b) According to the records of the Company, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty and Cess, which have not been deposited on account of any dispute. The disputed amount in respect of Custom Duty is as under:

Name of Statute	Nature of Dues	Financial Year	Amount (Rs.)	Forum where dispute is pending
Central Board of Excise and Customs	Differential custom duty	2004-2005 and 2005-2006	39,08,349	The Commissioner of Customs (Appeals)

- (c) According to the records of the Company, there are no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- (viii) The Company has accumulated losses not exceeding fifty percent of the net worth at the end of the financial year. The Company has incurred cash losses during the current financial year and the company has not incurred cash losses during the immediately preceding financial year.
- (ix) According to the records of the Company examined by us and the information and explanation given to us, the Company has not taken any loan from banks, financial institutions and has not issued debentures during the period. Accordingly, clause 3 (ix) of the Order is not applicable to the Company.
- (x) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, clause 3 (x) of the Order is not applicable to the Company.
- (xi) The company has not taken any term loan during the year. Accordingly, clause 3 (xi) of the Order is not applicable to the Company.
- (xii) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

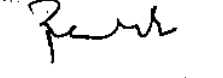
For and on behalf of  
M. L. BHUWANIA & CO.  
Chartered Accountants  
Firm Registration No. 101484W

CERTIFIED TRUE COPY

  
J. P. Bairagra  
Partner  
Membership No. 12839

1, 3rd Floor, Manek Mahal,  
99, Veer Nariman Road, Churchgate,  
Mumbai - 400 020, India.

For The Indian Link Chain Mfrs. Ltd

  
P. K. Navatia  
Managing Director

Place: Mumbai

Date: 27 MAY 2015