



Empire Industries Limited

SEC:SHR:2017-2018(0520)

May 23, 2017

BSE Limited
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai - 400 023.

Company Scrip Code: 509525

Dear Sir,

Pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the Audited Financial Results for the Quarter and Year ended March 31, 2017 along with Auditor's Report, which has been approved by the Board of Directors at its Meeting held today.

Thanking you,

Yours faithfully,
For **EMPIRE INDUSTRIES LIMITED**

S. C. NANDA
Director-Finance & Company Secretary

Encls:

CIN: L17120MH1900PLC000176
Regd. Office: Empire Complex, 414, Senapati Bapat Marg,
Lower Parel, Mumbai 400 013, India.
Tel.: 66555453 • Fax : 24939143
E-mail: email@empiresecretarial.com • Web : www.empiremumbai.com

Divisions
Empire Machine Tools MFTM • Empire Machine Tools MCAT • Vitrum Glass
Empire Industrial Equipment • Empire Vending (GRABBIT) • Empire Foods
The Empire Business Centre • Empire Industrial Centrum

EMPIRE INDUSTRIES LIMITED

CIN: L17120MH1900PLC000176

Registered Office: 414 Senapati Bapat Marg, Lower Parel, Mumbai 400013

AUDITED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED 31ST MARCH, 2017

(in ₹ lakh)

S. No.	Particulars	QUARTER ENDED			YEAR ENDED	YEAR ENDED
		31.03.2017 (Audited)	31.12.2016 (Unaudited)	31.03.2016 (Audited)	31.03.2017 (Audited)	31.03.2016 (Audited)
1.	Income from Operations					
(a)	Net Sales/Income from Operations (net of excise duty)	7,099	5,992	9,001	24,415	26,501
(b)	Other Operating Income	4,837	3,958	3,038	15,743	12,012
	Total income from Operations (net)	11,936	9,950	12,039	40,158	38,513
2.	Expenses					
(a)	Cost of Materials consumed	1,328	1,064	1,338	4,948	4,944
(b)	Purchase of stock-in-trade	3,167	2,934	4,083	10,449	10,770
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	528	(314)	171	395	246
(d)	Employee benefits expense	2,362	1,693	2,159	7,431	6,688
(e)	Depreciation and amortisation expense	123	280	196	896	969
(f)	Other Expenses	2,739	3,081	2,382	10,809	9,758
	Total Expenses	10,247	8,738	10,329	34,928	33,375
3.	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	1,689	1,212	1,710	5,230	5,138
4.	Other Income	291	103	309	568	496
5.	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 ± 4)	1,980	1,315	2,019	5,798	5,634
6.	Finance Costs	226	222	287	906	967
7.	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)	1,754	1,093	1,732	4,892	4,667
8.	Exceptional Items	-	-	-	-	-
9.	Profit / (Loss) from ordinary activities before tax (7 ± 8)	1,754	1,093	1,732	4,892	4,667
10.	Tax expenses	683	330	857	1,628	1,602
11.	Net Profit / (Loss) from ordinary activities after tax (9±10)	1,071	763	875	3,264	3,065
12.	Extraordinary items (net of tax ₹ Expense ___ Lakhs)	-	-	-	-	-
13.	Net Profit / (Loss) for the period (11 ± 12)	1,071	763	875	3,264	3,065
14.	Share of Profit / (Loss)	-	-	-	-	-
15.	Minority Interest	-	-	-	-	-
16.	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13±14±15)	1,071	763	875	3,264	3,065
17.	Paid-up equity share capital (face value per share ₹10)	600	600	600	600	600
18.	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year.	17,646	14,382	14,382	17,646	14,382
19.	Earnings per share					
i	Earnings per share before extra-ordinary items					
(a)	Basic	17.85	12.72	14.58	54.40	51.08
(b)	Diluted	17.85	12.72	14.58	54.40	51.08
ii	Earnings Per Share (after extra-ordinary items) (₹10 each) (not annualised):					
(a)	Basic	17.85	12.72	14.58	54.40	51.08
(b)	Diluted	17.85	12.72	14.58	54.40	51.08
	Public shareholding (abstract)					
	Number of shares held by public	1,646,772	1,646,772	1,646,772	1,646,772	1,646,772
	Percentage of shareholding held by public	27.45	27.45	27.45	27.45	27.45
	Promoters and promoters group shareholding (abstract)					
(a)	Details of pledged or encumbered shares (abstract)					
	Pledged /Encumbered - Number of shares	-	-	-	-	-
	Pledged/Encumbered - Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
	Pledged/Encumbered - Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
(b)	Details of non-encumbered shares (abstract)					
	Non-encumbered - Number of shares	4,353,226	4,353,226	4,353,226	4,353,226	4,353,226
	Non-encumbered - Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100	100
	Non-encumbered - Percentage of shares (as a % of the total share capital of the company)	72.55	72.55	72.55	72.55	72.55
	Investor Complaints					
	Pending at the beginning of the quarter	0				
	Received during the quarter	0				
	Disposed of during the quarter	0				
	Remaining unresolved at the end of the quarter	0				

SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(in ₹ lakh)

Particulars	QUARTER ENDED			YEAR ENDED	YEAR ENDED
	31.03.2017 (Audited)	31.12.2016 (Unaudited)	31.03.2016 (Audited)	31.03.2017 (Audited)	31.03.2016 (Audited)
1 Segment Revenue:					
Manufacturing	3,348	2,878	3,624	13,064	12,961
Trading and Indenting	6,727	5,099	6,861	19,900	19,133
Others	1,861	1,973	1,554	7,194	6,419
Total segment revenue	11,936	9,950	12,039	40,158	38,513
Less: Inter segment revenue	-	-	-	-	-
Net Sales/Income from operations	11,936	9,950	12,039	40,158	38,513
2 Segment Results:					
(Profit before tax and interest)					
Manufacturing	315	444	493	1,648	894
Trading and Indenting	681	(15)	654	624	46
Others	984	886	872	3,526	4,694
Total	1,980	1,315	2,019	5,798	5,634
Less:					
i) Finance Costs (Net)	111	119	148	338	471
ii) Unallocable expenditure net off unallocable income	116	103	139	568	496
Total Profit/(Loss) before tax	1,753	1,093	1,732	4,892	4,667
3 Capital Employed:					
(Segment assets - Segment liabilities)					
Manufacturing	4,419	5,970	4,942	4,419	4,942
Trading and Indenting	3,066	2,998	3,280	3,066	3,280
Others	10,761	8,207	6,760	10,761	6,760
Total capital employed in segments	18,246	17,175	14,982	18,246	14,982
Add: Unallocable capital employed	-	-	-	-	-
Total capital employed in the Company	18,246	17,175	14,982	18,246	14,982

STATEMENT OF ASSETS AND LIABILITIES

Sr. No.	Particulars	As at	As at
		31.03.2017 (Audited)	30.09.2016 (Unaudited)
A	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
	(a) Share Capital	600.00	600.00
	(b) Reserves and Surplus	17,646.23	14,382.24
	Sub-total - Shareholders' Funds	18,246.23	14,982.24
2	Non-Current Liabilities		
	(a) Long-term Borrowings	5,744.65	6,602.87
	(b) Deferred Tax Liability (Net)	734.56	538.13
	(c) Other Long-term Liabilities	11,997.14	7,007.80
	(d) Long-term Provisions	1,810.87	1,502.01
	Sub-total - Non-Current Liabilities	20,287.22	15,650.81
3	Current Liabilities		
	(a) Short-term Borrowings	7,331.06	7,320.44
	(b) Trade Payables	3,195.03	5,481.28
	(c) Other Current Liabilities	3,054.83	4,654.76
	(d) Short-term Provisions	2,337.37	2,501.61
	Sub-Total - Current Liabilities	15,918.29	19,958.09
	TOTAL-EQUITY AND LIABILITIES	54,451.74	50,591.14
B	ASSETS		
1	Non-Current Assets		
	(a) Fixed Assets	21,521.03	21,716.74
	(b) Non-current Investments	0.03	0.03
	(c) Deferred Tax Assets (Net)	-	-
	(d) Long-term Loans and Advances	183.03	297.25
	(e) Other Non-Current Assets	529.55	536.63
	Sub-total - Non-Current Assets	22,233.64	22,550.65
2	Current Assets		
	(a) Current Investments	-	-
	(b) Inventories	12,684.84	10,454.08
	(c) Trade Receivables	7,565.50	7,855.46
	(d) Cash and Cash Equivalents	9,888.09	7,746.67
	(e) Short-term Loans and Advances	931.20	658.82
	(f) Other Current Assets	1,148.47	1,325.46
	Sub-total - Current Assets	32,218.10	28,040.49
	TOTAL - ASSETS	54,451.74	50,591.14

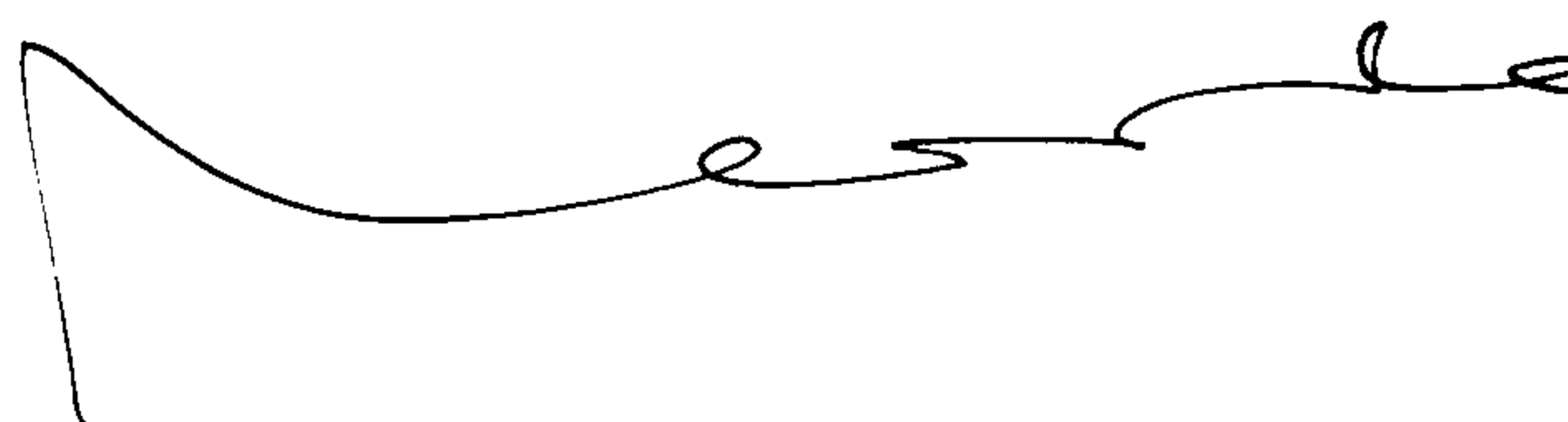
NOTES:

- The figures for the quarter ended March 31, 2017 and March 31, 2016 are balancing figures between audited figures in respect of financial year to date figures up to the third quarter of the relevant financial year.
- The above results were taken on record at the meeting of Board of Directors held on May 23, 2017.
- The Board of Directors has recommended Dividend of 250% i.e. Rs.25 per Equity Share of Rs.10 each for the year ended March 31, 2017 subject to the approval of the Shareholders at the ensuing Annual General Meeting.
- The previous year's figures have been regrouped/reclassified wherever necessary.

For EMPIRE INDUSTRIES LIMITED

 Place : Mumbai
 Date : 23.05.2017

 S. C. MALHOTRA
 Chairman





D. P. GHEVARIA & CO.
CHARTERED ACCOUNTANTS

DEEPAK P. GHEVARIA
B. Com (Hons.), F. C. A.

OFFICE : 47, Perin Nariman Street, 1st Floor, Fort, Mumbai - 400 001. • Tel. : 2266 5882
RESIDENCE : Hastiraj, A/15, 4th Floor, Bapubhai Vashi Road, Vile Parle (W), Mumbai - 400 056. • Tel. : 2671 6669

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF EMPIRE INDUSTRIES LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **EMPIRE INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 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 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 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 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 stand alone 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 March 31, 2017, and its profit and cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

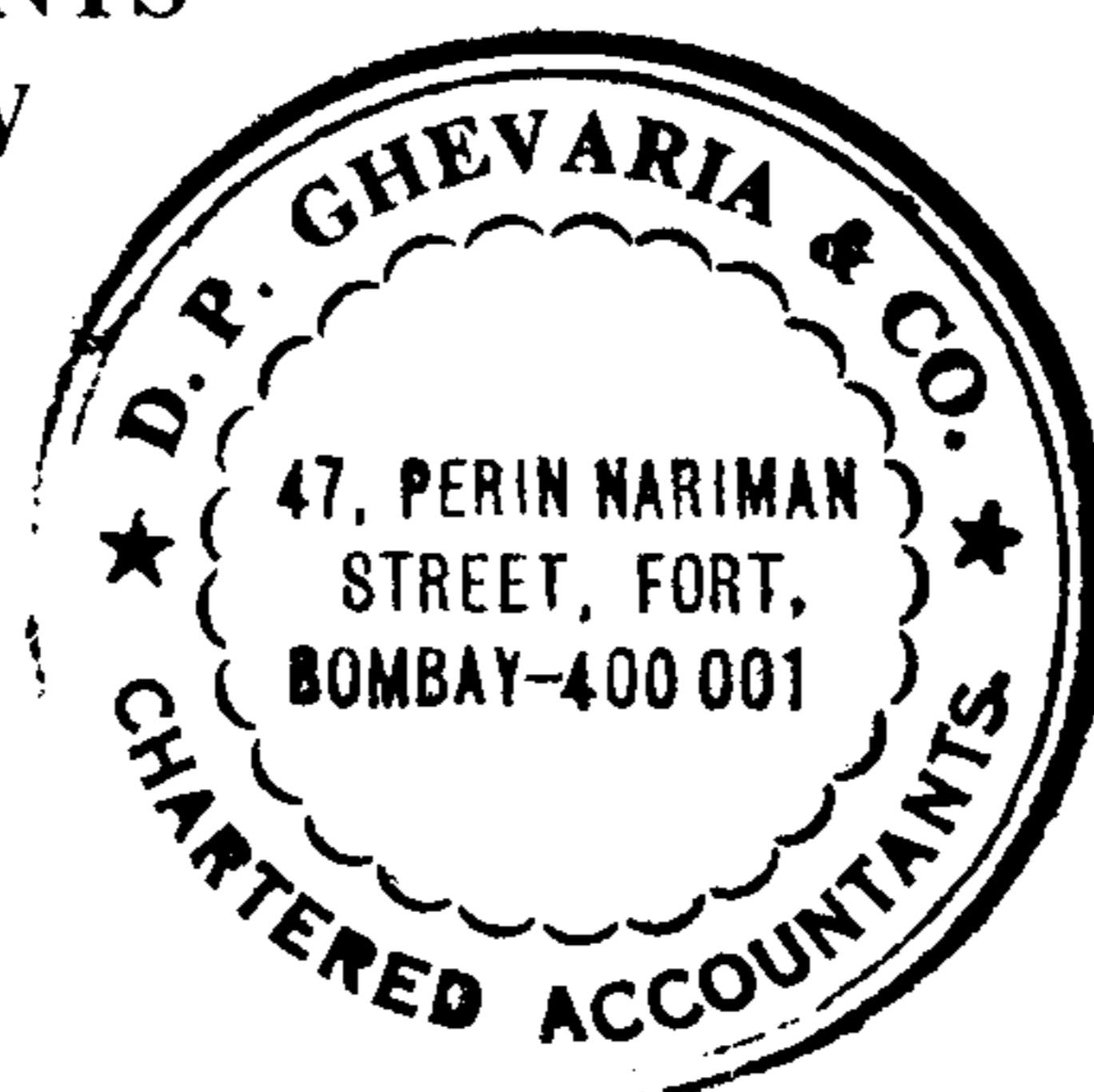
1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the 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 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 March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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'; and
- 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, if any, of pending litigations as at March 31, 2017 on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings and as well as dealings in Specified Bank Notes (SBNs) during the period from 8th November, 2016 to 30th December, 2016. In view of multiple locations of cash holdings held by the company across India, it was not practically possible for us to physically verify cash transactions in respects SBNs during the reporting period. However, the Company has provided appropriate disclosures in its financial statements as to holdings as well as dealings in SBNs during the said period.

Based on the certified Cash Balances as at those dates furnished by the Company, the requisite information provided in its Management Representation and based on our audit procedures, we report that the disclosures are in accordance with Books of Account maintained by the Company and as produced to us by the management.

For D. P. GHEVARIA & CO.
CHARTERED ACCOUNTANTS
FIRM REGN. NO. : 103176W


(D. P. GHEVARIA)
PROPRIETOR
MEMBERSHIP NO. 032431



PLACE : MUMBAI
DATED : MAY 23, 2017.

‘ANNEXURE A’ TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in Paragraph 1 under the heading ‘Report on Other Legal and Regulatory Requirements’ of our report of even date on the standalone financial statements of the Company for the year ended March 31, 2017 :

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, the Company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- 2) (a) The inventory, except stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies reported on such verification were not material and have been properly dealt with in the books of account. In respect of inventories lying with third parties, written confirmations have been obtained.

(b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) On the basis of our examination of the inventory records, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification of inventory as compared to book records were not material in relation to the operations of the Company and have been properly dealt with in the books of account.
- 3) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of sub-clause (a), (b) and (c) of paragraph 3(iii) of the Order are not applicable to the Company for the current year.
- 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- 5) The Company has accepted deposits from the public. The 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 and the Rules framed thereunder, where applicable, have been complied with.
- 6) According to the information and explanations given to us, the maintenance of cost records has been prescribed by the Central Government under section 148 (1) of the Act, for the

Construction activity of the Company. We have broadly reviewed the books of account maintained by the Company in respect of its construction activity and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.

- 7) (a) According to the information and explanations given to us and the records examined by us, the Company is generally 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.

According to the information and explanations given to us, there are no undisputed dues, payable in respect of above as at March 31, 2017 for a period of more than six months from the date on which they became payable.

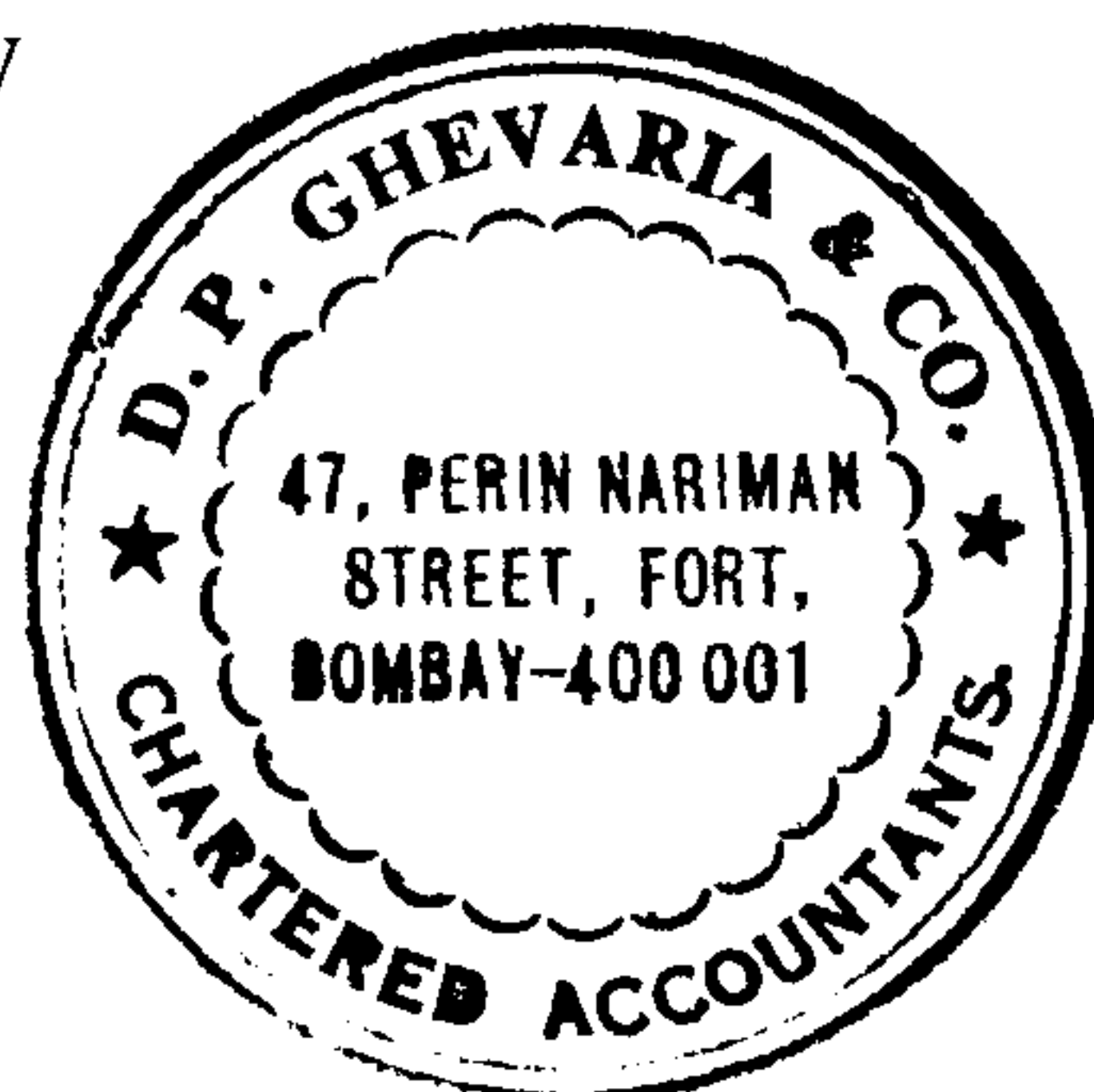
- (b) According to the information and explanations given to us and on the basis of our examination of books of account and record, the details of aforesaid statutory dues as at March 31, 2017 which have not been deposited with the appropriate authorities on account of any dispute, are given below :

	Name of The Statute	Particulars	Amount	Period to which the amount relates	Forum where dispute is pending
1	The Finance Act, 1994	Service Tax	2,10,573	F.Y. 2011-2012	Commissioner of Central Excise
2	I. Tax Act, 1962	I. Tax Demand	54,10,120	A.Y. 2009-2010	I.T.A.T. Mumbai
	-----do-----	I. Tax Demand	86,38,560	A.Y. 2011-2012	CIT (Appeal)
	-----do-----	I. Tax Demand	1,10,05,710	A.Y. 2012-2013	CIT (Appeal)
	-----do-----	I. Tax Demand	1,18,90,420	A.Y. 2013-2014	CIT (Appeal)
3	MVAT Act, 2002	VAT / CST dues	83,50,719	F.Y. 2009-2010	Jt. Commissioner Of Sales Tax (A)
	-----do-----	-----do-----	9,11,303	F.Y. 2010-2011	-----do-----
	-----do-----	-----do-----	1,59,29,670	F.Y. 2011-2012	-----do-----

- 8) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to banks. The Company does not have dues to financial institutions, Government or debenture holders.
- 9) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable. According to the information and explanations given to us and based on the documents and records examined by us, on an overall basis, the moneys raised by way of Term Loans have been applied for the purpose for which the loans were raised.
- 10) Based upon the audit procedures performed and the information and explanations given to us by the management, we report that no material fraud on or by the Company by its officers or employees has been noticed or reported during the course of our audit.
- 11) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- 12) 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.
- 13) 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 details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- 16) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For D. P. GHEVARIA & CO.
CHARTERED ACCOUNTANTS
FIRM REGN. NO. : 103176W


(D. P. GHEVARIA)
PROPRIETOR
MEMBERSHIP NO. 032431



PLACE : MUMBAI
DATED: MAY 23, 2017

ANNEXURE 'B' TO INDEPENDENT AUDITOR'S REPORT

Referred in paragraph 10(f) of the Independent Auditor's Report of even date to the members of EMPIRE INDUSTRIES LIMITED on the standalone financial statements for the year ended March 31, 2017.

Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of Section 143 of the Act

1. We have audited the Internal financial controls over financial reporting of EMPIRE INDUSTRIES LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 Accountant 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 deflection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. 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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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.

4. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. 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 authorizations of management and directors of the company; and
 - (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

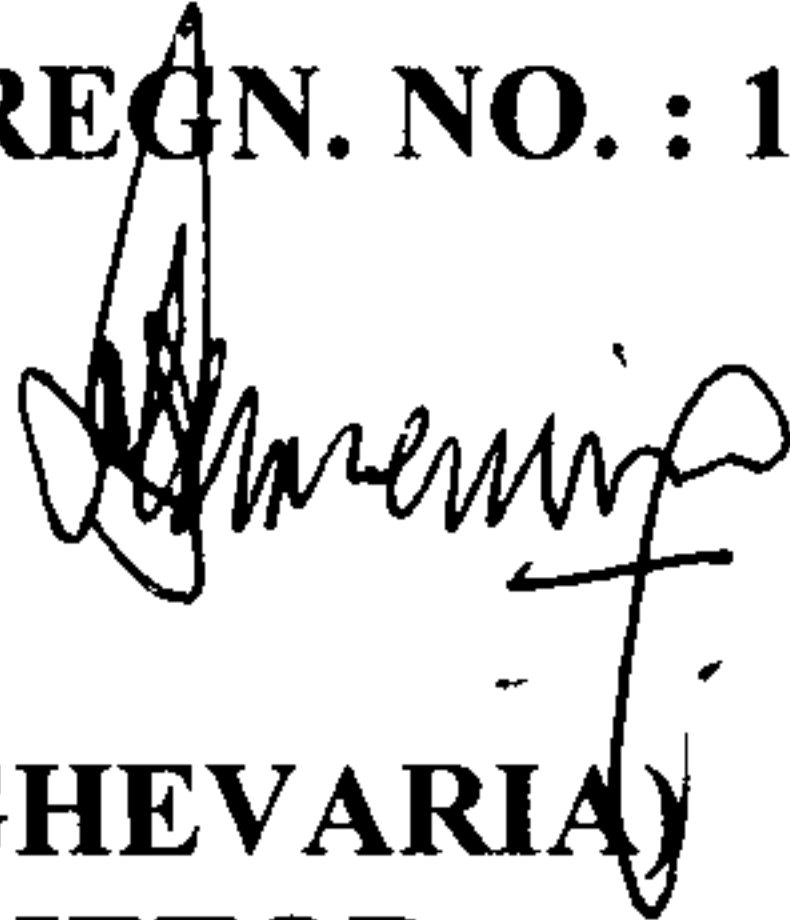
Inherent Limitations of Internal Financial Controls Over Financial Reporting.

7. 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

company considering the essential compliance material respects, an adequate internal Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the institute of Chartered Accountants of India.

**For D. P. GHEVARIA & CO.
CHARTERED ACCOUNTANTS
FIRM REGN. NO. : 103176W**



**(D. P. GHEVARIA)
PROPRIETOR
MEMBERSHIP NO. 032431**



PLACE : MUMBAI
DATED : MAY 23, 2017.