

**INSILCO LIMITED**  
 (A Member of Evonik Industries Group)  
 CIN: L34102UP1988PLC010141  
 Regd. Office - A - 5, UPSIDC Industrial Estate, Bhartiagram, Gajraula, Distt. Amroha, U.P.-244223,  
 Phone: 09837923893, Fax: (05924) 252348, Email id: insilco@evonik.com, Website: www.insilcoindia.com

**Statement of Standalone Audited Financial Results for the year ended March 31, 2018**

Sr. No.	Particulars	(INR In lakhs)				
		3 months ended (31/03/2018)	Previous 3 months ended (31/12/2017)	Corresponding 3 months ended in the previous year (31/03/2017)	Current year ended (31/03/2018)	Previous Year ended (31/03/2017)
	<b>(Refer notes below)</b>	<b>Audited**</b>	<b>Unaudited</b>	<b>Audited**</b>	<b>Audited</b>	<b>Audited</b>
1	<b>Income</b>					
	(a) Revenue from operations (Refer note 7)	2,361	2,168	2,678	8,880	9,578
	(b) Other income (Refer note 8)	149	69	45	398	669
	<b>Total Income</b>	<b>2,510</b>	<b>2,237</b>	<b>2,723</b>	<b>9,278</b>	<b>10,247</b>
2	<b>Expenses</b>					
	(a) Cost of materials consumed	818	929	956	3,343	3,523
	(b) Changes in inventories of work-in-progress and finished goods	221	(94)	(21)	185	(25)
	(c) Excise duty	-	-	225	222	914
	(d) Employee benefits expense	199	203	89	804	729
	(e) Depreciation and amortisation expense	53	51	41	192	172
	(f) Power and fuel expense	681	722	760	2,613	2,570
	(g) Freight and forwarding charges	173	159	228	649	695
	(i) Other expenses (Refer note 8)	264	436	273	1,264	1,062
	(h) Finance costs	1	*	-	2	1
	<b>Total expenses</b>	<b>2,410</b>	<b>2,406</b>	<b>2,551</b>	<b>9,274</b>	<b>9,641</b>
3	Profit / (loss) before exceptional items and tax (1 - 2)	100	(169)	172	4	606
4	Exceptional Items	-	-	42	-	42
5	Profit / (loss) before tax (3 - 4)	<b>100</b>	<b>(169)</b>	<b>130</b>	<b>4</b>	<b>564</b>
6	Tax expense					
	(a) Current tax	(33)	(33)	66	(33)	66
	(b) Deferred tax	(23)	(12)	(22)	1	7
	<b>Total tax expense</b>	<b>(56)</b>	<b>(45)</b>	<b>44</b>	<b>(32)</b>	<b>73</b>
7	Profit / (loss) for the period (5 - 6)	<b>156</b>	<b>(124)</b>	<b>86</b>	<b>36</b>	<b>491</b>
8	Other comprehensive income, net of income tax					
	A.(i) Items that will not be reclassified to profit or loss					
	- gain/(loss) on defined benefit obligation	11	-	(69)	10	(16)
	- gain/(loss) on cash flow hedge	(4)	*	(6)	7	(11)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
	B.(i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	<b>Total other comprehensive income, net of income tax</b>	<b>7</b>	<b>*</b>	<b>(75)</b>	<b>17</b>	<b>(27)</b>
9	Total comprehensive income for the period (7 + 8)	<b>163</b>	<b>(124)</b>	<b>11</b>	<b>53</b>	<b>464</b>
10	Paid-up equity share capital (Face value of the share Rs 10/- each)	<b>6,272</b>	<b>6,272</b>	<b>6,272</b>	<b>6,272</b>	<b>6,272</b>
11	Earnings per share (of Rs 10/- each) (not annualised):					
	(a) Basic	<b>0.25</b>	<b>(0.20)</b>	<b>0.14</b>	<b>0.06</b>	<b>0.78</b>
	(b) Diluted	<b>0.25</b>	<b>(0.20)</b>	<b>0.14</b>	<b>0.06</b>	<b>0.78</b>
	See accompanying notes to the financial results					

\* Amount below the rounding off norm adopted by the company.

\*\* Refer Note 9



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(INR in lakhs)

## Statement of assets and liabilities

Particulars	As at 31/03/18	As at 31/03/17	As at 01/04/16
	Audited	Audited	Audited
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	1,816	1,635	1,575
Capital work-in-progress	192	43	141
Investment properties	1	1	1
Other intangible assets	17	1	*
Financial assets			
i. Loans	73	74	66
ii. Other financial assets	10	10	-
Other non-current assets	34	10	32
Income tax assets (net)	139	239	327
<b>Total non-current assets</b>	<b>2,282</b>	<b>2,013</b>	<b>2,142</b>
<b>Current assets</b>			
Inventories	988	970	1,033
Financial assets			
i. Investments	2,597	3,764	3,693
ii. Trade receivables	1,793	1,846	1,918
iii. Cash and cash equivalents (Refer note 6)	129	131	62
iv. Bank balances other than (iii) above (Refer note 6)	2,920	1,806	1,219
v. Loans	9	10	12
vi. Other financial assets	153	71	60
Other current assets	106	81	92
<b>Total current assets</b>	<b>8,695</b>	<b>8,679</b>	<b>8,089</b>
<b>Total assets</b>	<b>10,977</b>	<b>10,692</b>	<b>10,231</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	6,272	6,272	6,272
<b>Other equity</b>			
Reserves and surplus	3,850	3,804	3,329
Other reserves	-	(11)	-
<b>Total equity</b>	<b>10,122</b>	<b>10,065</b>	<b>9,601</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
i. Borrowings	1	1	1
Employee benefit obligations	8	8	6
Deferred tax liabilities (net)	8	6	-
<b>Total non-current liabilities</b>	<b>17</b>	<b>15</b>	<b>7</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Trade payables			
-Total outstanding dues of micro, medium and small enterprises	86	6	45
-Total outstanding dues of creditors other than micro medium and small enterprises	490	288	200
ii. Other financial liabilities	97	67	57
Provisions	5	9	9
Employee benefit obligations	76	92	70
Current tax liabilities	-	49	52
Other current liabilities	84	101	190
<b>Total current liabilities</b>	<b>838</b>	<b>612</b>	<b>623</b>
<b>Total liabilities</b>	<b>855</b>	<b>627</b>	<b>630</b>
<b>Total equity and liabilities</b>	<b>10,977</b>	<b>10,692</b>	<b>10,231</b>

\* Amount below the rounding off norm adopted by the company.



**Notes to the financial results:**

- 1 This statement has been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2017, the Company has for the first time adopted Ind AS with a transition date of April 1, 2016.
- 2 As the Company's business activity falls within single primary business segment, viz. "Manufacturing of Precipitated Silica" the disclosure requirements of Indian Accounting Standard (Ind AS) 108 "Operating Segments" are not applicable.
- 3 The Company was informed by the Uttar Pradesh Pollution Control Board (UPPCB) that pursuant to the order of Hon'ble National Green Tribunal (NGT) dated April 26, 2017 in the matter of 'M. C. Mehta Vs. Union of India and Others' relating to cleaning of river Ganga, 15 industrial units of 13 companies in Gajraula including unit of Insilco Limited, in the catchment of the river Bagad which leads to the river Ganga, had been ordered to be shut down. In compliance with the same, the Company had shut down its Plant at Gajraula. The matter was again heard on May 8, 2017, where the Company's plant was allowed to resume its operations with certain directions and the Company restarted its plant on May 9, 2017. The directions of NGT, inter-alia, included that the Company would put forward its case before a Joint Inspection Team (JIT) and the JIT will submit its report within two weeks from May 8, 2017. Pursuant to such directions, the JIT visited the plant of the Company on May 23, 2017 and the Company demonstrated and put its case before the said team. The JIT has not yet submitted its report to the NGT for river Bagad. The Company has filed a Caveat in NGT so that no orders are passed without giving the Company an opportunity of being heard. On July 13, 2017, NGT pronounced its detailed judgement, which has, inter-alia, given powers to the JIT to issue directions to various companies under the provisions of the Water (Prevention and Control of Pollution) Act, 1974 and Environmental (Protection) Act, 1986. In response to the Company's application for renewal of water and air consent for its plant, the Company received a letter dated January 12, 2018 from UPPCB, pursuant to observations from the inspection of the JIT, asking the Company, inter-alia, to recalculate the dosing of magnesium sulphate to meet prescribed Sodium Absorption Ratio (SAR), in a time bound manner to discontinue present chemical addition and further dilution of effluent with ground water to meet SAR value or instead the unit may switch over to Zero Liquid Discharge (ZLD) system. The letter also states that closure of unit may be considered if the unit fails to provide a time bound action plan for achieving ZLD. The Company has filed its response thereto, a summary of which was sent to Bombay Stock Exchange vide the Company's letter dated January 22, 2018. Management believes that the Company has a strong case in its favour, as the Company continues to comply with all the current pollutions norms applicable to it as per consent letter. However, it is possible that the pollution authorities may come up with fresh requirement(s) for compliance in the conditions of consent letter, which will then have to be examined and considered. Meanwhile, the Company has received UPPCB's approval vide an e-mail dated May 11, 2018 against the application for renewal of water and air consent for its plant. The physical consent letter from UPPCB along with detailed conditions to operate, is yet to be received by the Company.
- 4 Reconciliation of equity as at 31 March 2017 and 1 April 2016:

Description	(INR in lakhs)	
	As at 31/03/17	As at 01/04/16
Total equity (shareholder's funds) as per Previous GAAP	9,172	9,084
<b>Adjustments</b>		
Fair value gain on mutual funds investments	899	551
Finance income on employee loans	1	-
Amortisation of deferred employee cost	(1)	-
Finance lease obligation – leasehold land	-	-
Deferred Tax	(7)	-
Depreciation of capital spares	-	(35)
<b>Total adjustments</b>	<b>893</b>	<b>517</b>
<b>Total equity as per Ind AS</b>	<b>10,065</b>	<b>9,601</b>

\* Amount below the rounding off norm adopted by the company.

- 5 The reconciliation of net profit or loss reported in accordance with Previous GAAP to total comprehensive income in accordance with Ind AS is given below:

Description	(INR in lakhs)	
	3 months ended 31/03/2017	Year to date figures for period ended (31/03/2017)
<b>Profit after tax as per Previous GAAP</b>	120	99
Add/Less :		
Fair value gain on mutual funds investments	(125)	348
Finance income on employee loans	-	1
Amortisation of deferred employee cost	-	(1)
Finance lease obligation – leasehold land	-	-
Deferred Tax	22	(7)
Depreciation of capital spares	-	35
Remeasurements of post-employment benefit obligations	69	16
<b>Profit after tax as per Ind AS</b>	<b>86</b>	<b>491</b>
Other comprehensive income, net of income tax	(75)	(27)
<b>Total comprehensive income for the period</b>	<b>11</b>	<b>464</b>

\* Amount below the rounding off norm adopted by the company.



- 6 Fixed deposits with banks amounting to INR 452 lakhs having an original maturity period of more than three months were classified and presented under 'Cash and cash equivalents' in the statement of assets and liabilities for the year ended March 31, 2017, prepared under the Previous GAAP. This has been rectified in the comparative financial information included in the above statement of assets and liabilities.
- 7 Revenue from operations for periods upto June 30, 2017 includes excise duty, which is discontinued effective July 1, 2017 upon implementation of Goods and Services Tax (GST) in India. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the quarter and year ended March 31, 2018 are not comparable with the previous periods. The following additional informations is being provided to facilitate such understanding:

Particulars	3 months ended (31/03/2018)	Previous 3 months ended (31/12/2017)	Corresponding 3 months ended in the previous year (31/03/2017)	Current year ended (31/03/2018)	Previous Year ended (31/03/2017)
	Audited**	Unaudited	Audited**	Audited	Audited
Revenue from operations	2,361	2,168	2,678	8,880	9,578
Less: Excise duty	-	-	(225)	(222)	(914)
Revenue from operations excluding excise duty	2,361	2,168	2,453	8,658	8,664

- 8 The gain/(loss) on financial assets measured at fair value through profit and loss (investments in mutual funds) recognised in the current and previous periods is as follows:

Particulars	3 months ended (31/03/2018)	Previous 3 months ended (31/12/2017)	Corresponding 3 months ended in the previous year (31/03/2017)	Current year ended (31/03/2018)	Previous Year ended (31/03/2017)
	Audited**	Unaudited	Audited**	Audited	Audited
Other Income	64	-	-	132	470
Other Expenses	-	73	3	-	-

- 9 The figures for the last quarter are balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures upto the third quarters of the respective financial years.
- 10 Previous period figures have been regrouped, wherever necessary.
- 11 This statement has been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on May 28, 2018.

Place : Noida, Uttar Pradesh  
Dated : May 28, 2018

For Insilco Limited



Brijesh Arora  
Managing Director  
DIN : 00952523



# Price Waterhouse & Co Chartered Accountants LLP

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF INSILCO LIMITED

#### Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying financial statements of Insilco Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Ind AS Financial Statements

2. 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 Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including 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.
5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate



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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 Ind AS financial statements.

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

### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, 2018, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Emphasis of Matter

9. We draw your attention to Note 36 to the Ind AS financial statements with regard to the Joint Inspection Team's observations pursuant to the directions of the National Green Tribunal (NGT). The Management has assessed that the Company continues to comply with all currently applicable pollution norms. The financial impact, if any, in respect of this matter, is presently not ascertainable. Our opinion is not qualified in respect of this matter.

### Other Matter

10. The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor who expressed an unmodified opinion vide reports dated May 16, 2017 and May 5, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us. Our opinion is not qualified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

11. 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 ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
12. 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 (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - (i) The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its Ind AS financial statements – Refer Note 12(d) and Note 28 to the Ind AS financial statements;
  - (ii) The Company does not have derivative contracts and in respect of other long-term contracts there are no material foreseeable losses as at March 31, 2018;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018;
  - (iv) The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/ E-300009



Anupam Dhawan  
Partner  
Membership Number: 084451

Noida, Uttar Pradesh  
May 28, 2018

## Annexure A to Independent Auditors' Report

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of Insilco Limited on the Ind AS Financial Statements for the year ended March 31, 2018

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### Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Insilco Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS 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 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 Act.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.





## **Annexure A to Independent Auditors' Report**

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of Insilco Limited on the Ind AS Financial Statements for the year ended March 31, 2018

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### **Meaning of Internal Financial Controls with reference to financial statements**

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 with reference to financial statements**

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, 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 Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/ E-300009



Anupam Dhawan  
Partner  
Membership Number: 084451

Noida, Uttar Pradesh  
May 28, 2018

## **Annexure B to Independent Auditors' Report**

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Insilco Limited on the Ind AS Financial Statements as of and for the year ended March 31, 2018

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment and intangible assets.
- (b) The property, plant and equipment 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 property, plant and equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 3 on property, plant and equipment and Note 4 on investment properties to the Ind AS financial statements, are held in the name of the Company.
- ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, 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 determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the 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, goods and service tax with effect from July 1, 2017 and other material statutory dues, as applicable, with the appropriate authorities.





**Annexure B to Independent Auditors' Report**

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Insilco Limited on the Ind AS Financial Statements as of and for the year ended March 31, 2018

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- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/ E-300009



Anupam Dhawan  
Partner  
Membership Number: 084451

Noida, Uttar Pradesh  
May 28, 2018