

Magnum Ventures Ltd.

(An ISO 14001-2004 Certified Company)

Corporate Office : 18/31, Site-IV, Industrial Area, Sahibabad, Ghaziabad (U.P.)

Address for Correspondence : 18/41, Site-IV, Industrial Area, Sahibabad, Distt. Ghaziabad - 201 010

Date: 30th May, 2016

Department of Corporate Services Bombay Stock Exchange Limited Phiroj JeeJeeboy Tower, Dalal Street, Fort Mumbai-400001	Department of Corporate Communications National Stock Exchange India Limited Exchange Plaza, Bandra-Kurla Complex Bandra (E) Mumbai-400 051
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Ref: Scrip Code

BSE: 532896

NSE: MAGNUM

Dear Sirs,

Sub: Submission of Audited Financial Results for the Quarter and year ended 31st March, 2016

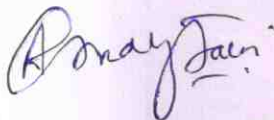
Dear Sirs,

Pursuant to SEBI (LODR) Regulations, 2015 and other applicable provisions, if any, we hereby submit the Audited Financial Results of the Company for the quarter and year ended on 31st March, 2016.

You are requested to kindly take the same on record.

Thanking You,

For MAGNUM VENTURES LIMITED



ABHEY KUMAR JAIN
(Whole-Time Director)

DIN: 01876385

Address: 4326/3 Ansari Road,
Darya Ganj, Delhi-110002



MAGNUM VENTURES LIMITED

CIN:L21093DL1980PLC010492

Regd. Office: 685, Chittla gate, Chawri Bazar, Delhi 110006

Web-Site: www.magnumventures.in, E-Mail: magnumventures@gmail.com



Audited Financial Results for the Quarter and Year ended 31st March, 2016

(Rs. Lacs)

S. No.	Particulars	Figures for 3 Months ended			Figures for Year ended	
		31.3.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
		Un-Audited	Un-Audited	Un-Audited	Audited	Audited
1	Income from Operations					
	a) Net Sales / Income from Operations (Net of Discounts & Excise Duty)	6050	5696	5537	22808	22272
	b) Other Operating Incomes	117	77	11	298	120
	Total Income from Operation (Net)	6167	5773	5548	23106	22392
2	Expenses					
	a) Cost of Materials Consumed	1973	2917	2392	11301	9704
	b) Purchases of Stock in Trade	NA	NA	NA	NA	NA
	c) (Increase) / Decrease in Stock-in-Trade	53	(52)	(5)	12	14
	d) Employees Benefit expenses	683	526	554	2209	1904
	e) Depreciation and amortisation Charges	599	612	614	2424	2480
	f) Manufacturing Expenses	1667	2011	1760	7392	6951
	g) Other Expenditure	585	605	768	3891	2111
	Total Expenses	5560	6619	6083	27229	23164
3	Profit / (Loss) from Operations before Other Income, Finance Cost and exceptional items (1-2)	607	(846)	(535)	(4123)	(772)
4	Other Income	0	0	0	0	0
5	Profit / (Loss) from ordinary activities before Finance Cost and exceptional items (3+4)	607	(846)	(535)	(4123)	(772)
6	Finance Cost	1940	1136	732	5327	3819
7	Profit / (Loss) from ordinary activities after Finance Cost but before exceptional items (5-6)	(1333)	(1982)	(1267)	(9450)	(4591)
8	Exceptional Items	(2386)	0	0	(2386)	0
9	Profit / (Loss) from ordinary activities before Tax (7+8)	(3719)	(1982)	(1267)	(11836)	(4591)
10	Tax Expenses Including Deferred Tax	0	0	1194	0	1
11	Profit / (Loss) from ordinary activities after Tax	(3719)	(1982)	(2461)	(11836)	(4592)
12	Extra-Ordinary Items (Net of Tax Expenses)	0	0	(2740)	2670	(2740)
13	Net Profit/(Loss) for the period	(3719)	(1982)	(5201)	(9166)	(7332)
14	Share of Profit (Loss) of Associates	0	0	0	0	0
15	Minority Interest	0	0	0	0	0
16	Net Profit after taxes, Minority Interest and Share of Profit (Loss) of Associates (13+14+15)	(3719)	(1982)	(5201)	(9166)	(7332)
17	Paid-up Equity Share Capital (Face value Rs.10/-)	3760.19	3760.19	3760.19	3760.19	3760.19
18	Reserves excluding Revaluation Reserve				(18719)	(9553.00)
19	i) Earning per share before extra-ordinary items					
	Basic Earning Per Share (EPS - Rs.)	(9.89)	(5.27)	(6.54)	(31.48)	(12.21)
	Diluted Earning Per Share (EPS - Rs.)	(9.89)	(5.27)	(6.54)	(31.48)	(12.21)
	ii) Earning per share after extra-ordinary items					
	Basic Earning Per Share (EPS - Rs.)	(9.89)	(5.27)	(13.83)	(24.38)	(19.50)
	Diluted Earning Per Share (EPS - Rs.)	(9.89)	(5.27)	(13.83)	(24.38)	(19.50)

Segment-wise Revenue, Results and Capital Employed

(Rs. Lacs)

S. No.	Particulars	Figures for 3 Months ended			Figures for Year ended	
		31.3.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
		Un-Audited	Un-Audited	Un-Audited	Audited	Audited
1	Information about Primary Business Segments					
	Segment Revenues					
	Paper	4912	4736	4559	18939	18802
	Hotel	1255	1037	989	4167	3590
		6167	5773	5548	23106	22392
	Less: Inter-Segment Revenue					
	Total	6167	5773	5548	23106	22392
2	Segment Result					
	Paper	934	(472)	(108)	(2757)	581
	Hotel	(327)	(374)	(427)	(1366)	(1353)
		607	(846)	(535)	(4123)	(772)
	Less: Finance Cost	1940	1136	732	5327	3819
	Total	(1333)	(1982)	(1267)	(9450)	(4591)
3	Capital Employed					
	Paper	29151	35244	36420	29151	36420
	Hotel	2943	3091	4352	2943	4352
	Total	32094	38335	40772	32094	40772

May Jain



STATEMENT OF ASSETS AND LIABILITIES

(Rs. Lacs)

S. No.	Particulars	Year	Year Ended
		Ended	31.03.2015
		31.03.2016	31.03.2015
		Audited	Audited
I	EQUITY AND LIABILITIES		
1	Shareholders Funds		
a)	Capital	6260	6260
b)	Reserve & Surplus	(18719)	(9553)
	Sub-total shareholder's funds	(12459)	(3293)
2	Non-Current Liabilities		
a)	Long Term Borrowings	29069	34882
b)	Other long term liabilities	0	785
c)	Long Term Provisions	231	135
	Sub-Total-Non-current liabilities	29300	35802
3	Current Liabilities		
a)	Short term Borrowings	1203	4448
b)	Trade Payables	2348	2692
c)	Other Current Liabilities	11611	1452
d)	Short term Provisions	91	-1
	Sub-Total Current liabilities	15253	8633
	TOTAL EQUITY AND LIABILITIES	32094	40772
II	ASSETS		
1	Non-current assets		
a)	Fixed Assets	22668	25023
b)	Deferred tax Assets (Net)	0	0
c)	Long Term Loans and advances	24	336
	Sub-Total Non current Assets	22692	28559
2	Current assets		
a)	Inventories	838	1381
b)	Trade Receivables	5902	8159
c)	Cash and Cash equivalents	1349	176
d)	Other Current Assets	110	5
e)	Short term loans and advances	1203	2292
	Sub-Total current Assets	9402	12213
	TOTAL ASSETS	32094	40772

Notes:

- In July 14, The Company sold the non core assets i.e. Plot No. A-35/1 measuring 10074 Sq mtr and A-40/2 measuring 9194 Sq mtr, which was not mortgaged with the Banks, by sub-dividing the plots in smaller area i.e. A-35/1/1 measuring 2809.94 Sq Mtr to M/s IONS FILTECK PVT LTD, A-35/1/2 measuring 3250.96 Sq Mtr to Green Future Windows (P) Ltd, A-35/1/3 measuring 4014.17 Sq Mtr to M/s Rajiv Automobiles, A-40/2/1 measuring 5000 Sq Mtr to Mr. Shankey Garg and Pranshu Garg and A-40/2/2 measuring 4194 Sq mtr to Rakesh Road Carriers. One of the conditions of buyers of the subdivided plots is to get approval of sub-division from UPSIDC. On 25th May 2015, UPSIDC approved our application dated 14th July 14 for subdivision of said plots and compliance stipulated in approval completed i.e. the deal finally completed.
- The extra-ordinary item as stated in Point No. 10 of Unaudited Financial Results for the Quarter ended 30th September, 2015 represents profit derived on sale of non core asset as stated in Note 1 above.
- Nil investors complaint was pending at the beginning of the quarter, During the quarter no complaint was received, nil Complaint was pending as on 31st March, 2016.
- After Review by the Audit Committee, The above Financial Results have been approved by the Board of Directors at its meeting held on 30th May, 2016.
- EPS for the Quarter are not annualised.
- The figures for the previous period have been regrouped/rearranged wherever necessary.

Place: New Delhi
Dated: 30.05.2016

For Magnum Ventures Limited

Abhej Kumar Jain
(Abhej Kumar Jain)
Whole Time Director



AGGARWAL & RAMPAL

CHARTERED ACCOUNTANTS

2nd Floor, 19, Local Shopping Complex,

Madangir, New Delhi-110062, INDIA

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Fax : +91-11- 41636506,

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Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

Board of Directors of **M/s MAGNUM VENTURES LIMITED**

We have audited the quarterly financial results of **M/s MAGNUM VENTURES LIMITED** for the quarter ended 31st March 2016 and the year to date results for the period **01st April 2015 to 31st March 2016**, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards for Interim Financial Reporting (AS 25 / Ind AS 34), prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- (ii) give a true and fair view of the net profit/ loss and other financial information for the quarter ended **31st March 2016** as well as the year to date results read subject to comments/observation thereon in our Independent Audit Report for the period from **01st April 2015 to 31st March 2016**.

For Aggarwal & Rampal

Chartered Accountants

FRN No. 003072N

New Delhi

VINAY AGGARWAL

PARTNER

M.NO. 082045

Place : New Delhi

Date : May 30, 2016



Vinay Aggarwal
30/5/16

AGGARWAL & RAMPAL

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS' OF

M/S MAGNUM VENTURES LIMITED

We have audited the accompanying financial statements of **M/s MAGNUM VENTURES LIMITED ("The Company")** which comprise the Balance Sheet as at March 31, 2016 and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT RESPONSIBILITY:

The Company's Board of Directors is responsible for the matters 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 the 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 the 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 internal financial control, 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 evidence about the amounts and 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 control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, 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 financial statements give the information required by the Act in the manner so required and give a true and fair view (**subject to the matters of emphasis mentioned below**) in conformity with the accounting principles generally accepted in India;

- i) In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- ii) In the case of the Statement of Profit and Loss for the year ended on that date; and
- iii) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

EMPHASIS OF MATTERS

We draw attention to the following observations:

- a) **Debtors include Rs. 1098.35 lakhs which are due for more than six months out of which Debtors of Rs. 110.13 lacs are under litigations. (Refer Note No. 8 under other notes in Notes to Accounts annexed with the financial statements for the year ended March 31, 2016)**
- b) **No provisions has been made by the Company for outstanding claims receivable from it suppliers for Rs. 1394.88 lacs as on 31.03.2015. As per the management, same have not been accepted by the suppliers and fully written off these claims in the current financial year, hence, in our opinion this shows that Company have not proper recovery system. (Refer Note No. 11 under other notes in Notes to Accounts annexed with the financial statements for the year ended March 31, 2016)**
- c) **The Company got approval from CDR EG for second rework vide LOA dated 30th December 2013 and as per CDR guidelines, the package was to be implemented within 120 days from the date of approval. Company has received a letter from CDR EG dated 22.03.2016, communicating the**



approval for exit of Magnum Ventures Limited from CDR mechanism on account of the failure of the approved restructuring package. After the exit from CDR, the stipulation of CDR packages stands null & void hence the company has cancelled the Zero Coupon Bond of Rs. 34.12 Cr issued on 31.03.14 and reverse/cancel concessions/stipulations of interest recorded in FY 13-14 and FY 14-15 as prior period items because of no provision made for differential interest in FY 13-14 and FY 14-15, and provision for the same have been accounted for during the year. The Company has received a notice from Oriental Bank of Commerce and Allahabad Bank that Bank has assigned the mortgage assets and loan accounts to Alchemist Asset Reconstruction Company Limited. Since the loan amounts are NPAs have been shown as per the bank statement, accrued interest on those amount following prudency norms have been shown as liability under accrued interest, However are subject to confirmation and reconciliation consequential effect (if any) on the account remained unascertained to the extent.

- d) *Balances of Debtors & Creditors are subject to confirmation and reconciliation consequential effect (if any) on the account remained unascertained.*

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") as required by Companies Act, 2013 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 annex hereto a statement (Annexure-A) on the matters specified in said 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 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 written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.



- ANNEXURE B
- 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
- ANNEXURE B
- g) With respect to the other matters included in the Auditor's Report and to our 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 27 Part B (1) to the financial statements.
 - ii. The Company did not have any long-term contracts including derivatives 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.

For Aggarwal & Rampal
Chartered Accountants

F.R.No.003072N



Vinay Aggarwal
Vinay Aggarwal
Partner
M.No.082045

Vinay Aggarwal
30/5/16

Place: New Delhi
Date: May 30, 2016

ANNEXURE - A TO THE AUDITORS' REPORT**ANNEXURE REFERRED TO IN OUR AUDIT REPORT OF EVEN DATE OF M/S MAGNUM VENTURES LIMITED, PURSUANT TO THE COMPANIES (AUDITORS' REPORT) ORDER 2016 ON THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2016**

- i. (a) The Company has updated its records of fixed assets showing full particulars including quantitative details and situation of Fixed Assets.
- (b) As explained to us, most of the fixed assets have been physically verified by the management during the year and as per the explanations and information given to us, there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As explained to us discrepancies noticed on physical verification were not significant and have been properly dealt with in the books of accounts.
- (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.
- ii. According to the information and explanations given to us the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. As explained to us discrepancies noticed on physical verification were not significant and have been properly dealt with in the books of accounts.
- iii. As explained to us, the Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the Register maintained under section 189 of the Companies Act. 2013.
- iv. 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.
- v. In our opinion and according to the information and explanation given to us, the company has not accepted any deposits from the public.
- vi. The Company has prepared and maintained cost records as prescribed by the Central Government under sub-section (1) of section 148 of the companies Act 2013.
- vii (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employee's



state insurance, income tax, sales tax, wealth tax, custom duty, excise-duty, cess and other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

(b) According to the records of the Company, there are following dues of Central Excise Department as on March 31, 2016 which have not been deposited on account of disputes :-

Name of the Statute	Name of the Dues	Amount(Rs.)	Period to which the amount relate	Status/Forum where Dispute is Pending
Custom & Central Excise	Excise Duty on Production loss	20,97,503/-	2005-06	Addl. Commissioner of Excise show cause notice pending
Excise Law	Duty on Waste	31599/-(Plus Interest+ Penalty)	Mar 12 to Feb 13	Matter pending before Hon'ble HC
Excise Law	Duty on Waste	46545/- (Plus Interest and Penalty)	April 14 to March 15	Reply filed no hearing fixed yet
DEPB Case	Redemption Case	1023246/-(Plus Penalty)		Reply submitted order not yet passed
Excise Law	SCN for Duty of excise on paper board	14,62,96,594/- +(Interest and Penalty)		Letter sent to Commissioner ,GZB to refer withdrawal of SCN
Service Tax Law	SCN for Service Tax from Hotel	1,64,00,749/- +(Interest & penalty)	2010-2011	Stay granted and awaited for hearing of appeal
Excise Law	Departmental Appeal against refund order of Newsprint	30,80,824/-		Tribunal Delhi, Next Hearing Date yet to be notified
Excise Law	Paper Division- Newsprint-SCN	13,28,43,130/-(+ Interest +Penalty)		The company is under preparation of Reply



Excise Law	Paper Division Newsprint-SCN	5,83,68,368/- (Interest+ Penalty)	The company is under preparation of Reply
EPCG Obligations	Total Export Obligation under EPCG (in INR)		Rs. 50,31,14,020/-#
	Earning in Foreign Currency/Export Turnover up to 31-03-2016		Rs. 44,23,67,154/-

#The Company availed EPCG Scheme for import of assets and the Export Obligation (in INR) is Rs. 50,31,14,020. The Company submitted applications for redemption of EPCG Licences for Rs. 17,55,75,916 which is pending at the DGFT, New Delhi.

Hence the Contingencies for EPCG Obligation as on 31.03.16 is of Rs. 50,31,14,020 as the redemption of EPCG Licenses is pending.

- viii **The company had defaulted in repayment of loans and borrowing to financial institutions and banks. The Company got approval of CDR package from CDR EG for second rework vide LOA dated 30th December 2013 and as per CDR guidelines, the package was to be implemented within 120 days from the date of approval. Now Company has received a letter from CDR EG dated 22.03.2016, communicating the approval for exit of Magnum Ventures Ltd. from CDR mechanism on account of the failure of the approved restructuring package. Hence all the concessions/stipulations granted under CDR package which were accounted for earlier, have now been reversed. The Company has received a notice from Oriental Bank of Commerce and Allahabad Bank that Bank has assigned the mortgage assets and loan accounts to Alchemist Asset Reconstruction Company Limited. Since the loan amounts are NPAs have been shown as per the bank statement, accrued interest on those amount following prudency norms have been shown as liability under accrued interest, However are subject to confirmation and reconciliation consequential effect (if any) on the account remained unascertained.**
- ix The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). And term loans raised during the year were applied for the purposes for which those are raised.
- x According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi 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.
- xii In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.



- xiii According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv 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.
- xv 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.
- xvi The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Aggarwal & Rampal
Chartered Accountants

F.R.No.003072N



Vinay Aggarwal
Partner
M.No.082045

Place: New Delhi
Date: May 30, 2016

ANNEXURE - B TO THE AUDITORS' REPORT**REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")**

We have audited the internal financial controls over financial reporting of Infosys Limited ("the Company") as of 31 March 2016 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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and according to the information and explanations given to us, the company does not have an adequate internal control system commensurate with the size of company and the nature of its business with regard to purchase of inventory, fixed assets, and with regard to the sale of goods as they are unable to collect their sale proceeds and also not able to recover their claims against their rejection in purchase of inventory.

For Aggarwal & Rampal
Chartered Accountants
F.R.No.003072N



Vinay Aggarwal
Partner

M.No.082045

Place: New Delhi

Date: May 30, 2016

30/5/16