

Independent Auditor's Report

To the Members of Safetrunk Services Private Limited

Report on the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Safetrunk Services Private Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement for the year then ended, notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (herein after referred as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements 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 31st March 2019 and its Loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to the following matters in the Notes to the financial statements

- a) Note No.16.3 in the financial statements which indicates that the Company's income is far less than the operational expenditure endangering sustainability, inability of the Company to meet its financial commitments on borrowings, no future visibility of substantial rise in business volumes and the Company's current liabilities exceeded its current asset as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.
- b) Despite low cash flows from the cash generating unit (CGU), impairment of the carrying value of entire assets of the CGU of Rs. 932.47 lakhs has not been provided for, due to which the Loss is lesser by this amount.



We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the `Auditor`s responsibilities for the audit of Financial Statements` section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and we have fulfilled our other ethical requirements in accordance with these requirements and the ICAI`s code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Opinion Paragraph section, we have determined that there are no key audit matters to communicate in our audit report.

Responsibilities of Management and those charged with Governance 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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.



