

Date: 23<sup>rd</sup> May, 2018

1) Asst. President, Listing Department, National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra (East), Mumbai- 400051	2) The Listing Department, Corporate Relationship Department, BSE Limited, 1st Floor, New Trading Wing, P.J. Towers, Dalal Street Fort, Mumbai-400001
Scrip Code – ARCHIES	Scrip Code - 532212

Dear Sir/Madam,


**SUB: Auditor's Report for the Year ended on 31<sup>st</sup> March, 2018**

Please find attached herewith Auditor's Report of the Statutory Auditors of the Company for the Year ended 31<sup>st</sup> March, 2018.

Kindly take the same on records and acknowledge the receipt.

Thanking You

Yours Sincerely  
For **Archies Limited**

  
GAUTAM  
(Company Secretary)



**ARCHIES LIMITED**

C-113, NARAINA INDUSTRIAL AREA, PHASE - 1, NEW DELHI - 110028 (INDIA), CIN : L36999HR1990PLC041175  
TEL.: 91-11-41410000, 41412222, Fax : 91-11-41410060, Email : archies@archiesonline.com, Website : www.archiesonline.com  
REGISTERED OFFICE : PLOT NO. 191-F, SECTOR - 4, I.M.T. MANESAR, GURUGRAM - 122050, HARYANA (INDIA)

**INDEPENDENT AUDITORS' REPORT**

To The Members of

**ARCHIES LIMITED**

**Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of **ARCHIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 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 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 Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (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 (Ind AS), prescribed 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 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**

Our responsibility is to express an opinion on these Ind AS 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 of Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.



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 in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

### Opinion

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 including the Ind AS, of the state of affairs (financial position) of the Company as at 31 March, 2018, and its profits (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Other Matter

The comparative financial information of the Company for the year ended 31 March 2017 and the transition date opening balance sheet as at 1 April 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31 March 2017 and 31 March 2016 dated 25 May 2017 and 23 May 2016 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
- (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us;
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act;
- (e) On the basis of the written representations received from the directors as on 31 March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B";
- (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 information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations as at 31 March, 2018 on its financial position in its Ind AS financial statements— Refer Note 29 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For J. P., KAPUR & UBERAI  
CHARTERED ACCOUNTANTS  
(Firm Registration No. 000593N)

*Vinay*

Vinay Jain  
PARTNER  
(M. No. 095187)



Place: New Delhi

Date: 23 May 2018

**ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT**

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
  
(b) The fixed assets have been physically verified by the management during the year. There is a regular programme of verification, which, in our opinion, is reasonable, having regard to the size of the company and nature of its fixed assets. No material discrepancies were noticed on such verification.  
  
(c) According to our examination of the books and records of the Company and the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory has been physically verified by the management at reasonable intervals. The discrepancies noticed on verification between the physical stocks and book records were not material.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the order is not applicable.
- iv. The Company has not entered into any transaction in respect of loans, investments, guarantees and security to which the provisions of Section 185 and 186 of the Act would apply.
- v. The company has not accepted any deposits from the public to which the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder would apply.
- vi. The Central Government has not prescribed maintenance of cost records under section 148 (1) of the Act in respect of the products of the company.
- vii. (a) According to the records of the company, the company is regular in depositing with appropriate authorities 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 applicable to it, except in few cases where there is a delay in deposit. According to the information and explanations given to us, no undisputed amounts payable in respect of 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 applicable to it were outstanding, as at 31 March, 2018 for a period of more than six months from the date they became payable.





(b) According to the records of the company, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax which have not been deposited with the appropriate authorities on account of any dispute, except the following:-

Nature of the Statutory Dues	Amount (₹ in Lacs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax	340.27	Block Period Ending 31.3.2000	High Court of Delhi
Tax Deducted at Source	6.67	2010-11	Commissioner of Income Tax (Appeals)

- viii. The company has not defaulted in the repayment of loans or borrowings to banks. The Company has neither taken any loans or borrowings from financial institutions or government nor issued any debentures during the year.
- ix. According to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which those were raised.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the Management.
- xi. According to our examination of the books and records of the Company and the information and explanations given to us, 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. According to the information and explanations given to us, the Company is not a Nidhi company.
- xiii. According to our examination of the books and records of the Company and the information and explanations given to us, transactions with the related parties are in compliance with Section 177 and 188 of the Act and the details of such transactions have been disclosed in Note 33 to the Financial Statements as required by the applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



# J.P., KAPUR & UBERAI

- xv. According to our examination of the books and records of the Company and the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For J. P., KAPUR & UBERAI**  
CHARTERED ACCOUNTANTS  
(Firm Registration No.000593N)

Place: New Delhi

Date: 23 May 2018



*Vinay Jain*  
**Vinay Jain**  
PARTNER  
(M. No. 095187)

**ANNEXURE-B TO THE INDEPENDENT AUDITORS' REPORT**

Annexure referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

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

We have audited the internal financial controls over financial reporting of the Company as of 31 March, 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**

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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("the 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**

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 and the Standards on Auditing, both issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls. 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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, on the achievement of the objectives of the control criteria, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 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.

Place: New Delhi

Date: 23 May 2018



**For J. P., KAPUR & UBERAI**  
**CHARTERED ACCOUNTANTS**

(Firm Registration No. 000593N)

*Vinay Jain*

**Vinay Jain**  
**PARTNER**

(M. No. 095187)

To

Board of Directors  
Archies Limited

We have audited the quarterly financial results of Archies Ltd for the quarter ended 31 March 2018 and the year to date results for the period 01 April 2017 to 31 March 2018, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation 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 Ind AS 34 for Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder 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. 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 in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the quarter ended 31 March 2018 as well as the year to date results for the period from 01 April 2017 to 31 March 2018.

For and on behalf of  
**J.P., KAPUR & UBERAI**  
**CHARTERED ACCOUNTANTS**  
(Firm Registration No. 000593N)

  
**Vinay Jain**  
**PARTNER**  
(Membership No.095187)

Place : New Delhi  
Date : 23 May 2018

