



Western India Regional Council of  
The Institute of Chartered Accountants of India

# Anthology on KAM & other Reporting in Audit Reports (SA 701,705,706)

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## Foreword

I am proud to state that the Western India Regional Council is publishing an e-publication titled 'Anthology on KAM & other Reporting in Audit Reports (SA 701, 705, 706)'.

This digest comprising 1200+ audit reporting across 190+ audit reports of listed companies covering 28 different industries will help our members as well as finance professionals find various Key Audit Matters and reporting at one location. I am sure this publication will help members in quick understanding of the type of reporting required for relevant cases at hand.

I am glad that we, the WIRC of ICAI is publishing this very useful e-publication as through this 'Anthology' our 1 lakh plus WIRC members, lakhs of members across India and our cherished students will be benefited at large.

I appeal to all members and professionals to pay heed to and adopt the KAM reporting in a systematic manner for ease of conducting professional services.

The 'Anthology' is an excellent tool for the management of the scarcest resource we professionals have, namely, time. Care has been taken to ensure that this publication provides accurate and contemporary information. In the event of any mistakes coming to light, we seek your pardon and request the readers to bring such mistakes to our attention for improvements.

I am of the considered opinion that all our members getting the benefit of this publication will feel obliged for this very handy book wherein 'Reporting' of wide-ranging cases are mentioned in a very precise manner.

CA Vishal P. Doshi, Chairman, IND AS, Accounting Standard & IFRS Committee, WIRC and the team of 8 contributors associated with this publication deserve our appreciations and heartfelt thanks. We take this opportunity to acknowledge our sincere gratitude to the entire contributing team.

**CA. Lalit Bajaj**  
Chairman, WIRC of ICAI



## Preface

Dear Professional Colleagues,

The goal of an audit is to form and express an opinion on financial statements. The audit is performed to get reasonable assurance on whether the financial statements are free of material misstatement. Reporting is the last procedure of the process of an audit and has to be in accordance with the Standards on Audit Conclusions and Reporting issued by The Institute of Chartered Accountants of India.

The above Standards lay down the requirements of reporting of Key Audit Matters, Emphasis of Matters, Other Matters, Material Uncertainty Relating to Going Concern and Audit Qualifications. It is imperative for auditors to know the nature of reporting that would be required under each of the above requirements.

The Western India Regional Council of ICAI looks forward to equip its members on best reporting practices. We are pleased to release this e-publication on Anthology on KAM & other Reporting in Audit Reports (SA 701, 705, 706). We are also providing the publication on [www.wirc-icai.org](http://www.wirc-icai.org) with search facilities for easy access and referencing. This will help professionals across the country in ensuring consistency in audit reporting.

It was a herculean task to prepare a tome consisting of over 1200 audit reporting spread over 190 audit reports of listed companies covering 28 different industries. I thank the team of 8 contributors for their untiring efforts. They have ensured that the users of this publication can reap maximum benefits.

Mumbai  
March 12, 2020

**CA. Vishal P. Doshi**  
Chairman,  
IND AS, Accounting Standard & IFRS Committee, WIRC



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# Statistics

Nature of Industry	No. of Companies	Qualification	Material Uncertainty Relating to Going Concern	Key Audit Matters	Emphasis of Matter	Other Matters	Grand Total
Agro products	5			16		2	18
Airlines	1			4			4
Auto Parts & equipments	6			33		9	42
Automobiles & Commercial Vehicles	4			22		5	27
Banks	14			72	5	28	105
Breweries & Distilleries	2			12	2	2	16
Cement & Cement Products	6			33	4	9	46
Construction & Engineering	7	4	1	39	37	9	90
Diversified	4			22	5	10	37
Entertainment	6			27		5	32
Fertilizers	2			12		4	16
Healthcare	3			9	3	3	15
Insurance	2			6		4	10
Iron & Steel	4			29	2	6	37
IT Consulting & Software	13			60	1	7	68
Marine Port & Services	1			6	4	2	12
Media	3			8		2	10
NBFCs & Housing Finance	17	1		78	9	33	121
Oil & Gas	8			52	2	21	75
Paints	3			13		3	16
Pharmaceuticals & Chemicals	21			108	4	24	136
Power utilities and equipments	14			72	16	13	101
Realty	5			32	1	4	37
Restaurants	2			2		2	4
Retail & FMCG	29			100	5	28	133
Telecom Services	4	6	2	25	2	5	40
Textiles	5			25	2	6	33
Transportation - Logistics	2			10			10
<b>Grand total</b>	<b>193</b>	<b>11</b>	<b>3</b>	<b>927</b>	<b>104</b>	<b>246</b>	<b>1291</b>

# Company List

Sr. No.	Name of Company	Industry Type
1	Abott India Ltd.	Pharmaceuticals & Chemicals
2	Adani Enterprises Ltd.	Diversified
3	Adani Ports And Special Economic Zone Ltd.	Marine Port & Services
4	Adani Transmission Ltd.	Power utilities and equipments
5	Aditya Birla Fashion And Retail Ltd.	Retail & FMCG
6	Advanced Enzyme Technologies Ltd.	Agro products
7	AIA Engineering Ltd.	Construction & Engineering
8	Alkem Laboratories Ltd.	Pharmaceuticals & Chemicals
9	Allahabad Bank	Banks
10	Andhra Bank	Banks
11	Apollo Tyres Ltd.	Auto Parts & equipments
12	Arvind Ltd.	Textiles
13	Ashok Leyland Ltd.	Automobiles & Commercial Vehicles
14	Asian Paints	Paints
15	Astral Poly Technik Ltd.	Retail & FMCG
16	Atul Ltd.	Agro products
17	Aurobindo Pharma Ltd.	Pharmaceuticals & Chemicals
18	Bajaj Finance Ltd.	NBFCs & Housing Finance
19	Bajaj Holdings & Investment Ltd.	NBFCs & Housing Finance
20	Bata India Ltd.	Retail & FMCG
21	Bharti Airtel Ltd.	Telecom Services
22	Bharti Infratel Ltd.	Telecom Services
23	Biocon Ltd.	Pharmaceuticals & Chemicals
24	Birla Corporation Ltd.	Cement & Cement Products
25	Bombay Dyeing & Mfg.Co.Ltd.	Textiles
26	Britannia Industries Ltd.	Retail & FMCG
27	Canara Bank	Banks
28	Carborundum Universal Ltd.	Diversified
29	CARE Ratings Ltd.	NBFCs & Housing Finance
30	CCL Products (India) Ltd.	Retail & FMCG
31	Century Plyboards India Ltd.	Retail & FMCG
32	Cera Sanitaryware Ltd.	Paints

<b>Sr. No.</b>	<b>Name of Company</b>	<b>Industry Type</b>
33	Chambal Fertilisers & Chemicals Ltd.	Fertilizers
34	Cipla Ltd.	Pharmaceuticals & Chemicals
35	Crompton Greaves Consumer Electricals Ltd.	Retail & FMCG
36	Dabur India Ltd.	Retail & FMCG
37	DCB Bank Ltd.	Banks
38	Delta Corp Ltd.	Entertainment
39	Dish TV India Ltd.	Entertainment
40	Divi's Laboratories Ltd.	Pharmaceuticals & Chemicals
41	DLF Ltd.	Realty
42	Dr. Lal Pathlabs Ltd.	Healthcare
43	Dr. Reddy's Laboratories Ltd.	Pharmaceuticals & Chemicals
44	Equitas Holdings Ltd.	NBFCs & Housing Finance
45	Exide Industries Ltd.	Auto Parts & equipments
46	Finolex Cables Ltd.	Power utilities and equipments
47	Firstsource Solutions Ltd.	IT Consulting & Software
48	Fortis Healthcare Ltd.	Healthcare
49	Future Lifestyle Fashions Ltd.	Retail & FMCG
50	Gateway Distriparks Ltd.	Transportation - Logistics
51	GIC Housing Finance Ltd.	NBFCs & Housing Finance
52	GlaxoSmithKline Consumer Healthcare Ltd.	Retail & FMCG
53	GMR Infrastructure Ltd.	Power utilities and equipments
54	Godfrey Phillips India Ltd.	Retail & FMCG
55	Godrej Consumer Products Ltd.	Retail & FMCG
56	Godrej Industries Ltd.	Pharmaceuticals & Chemicals
57	Granules India Ltd.	Pharmaceuticals & Chemicals
58	Greaves Cotton Ltd.	Construction & Engineering
59	Gujarat Alkalies & Chemicals Ltd.	Pharmaceuticals & Chemicals
60	Gujarat Gas Ltd.	Oil & Gas
61	Gujarat State Fertilizers & Chemicals Ltd.	Fertilizers
62	Gujarat State Petronet Ltd.	Oil & Gas
63	Havells India Ltd.	Power utilities and equipments
64	Heritage Foods Ltd.	Retail & FMCG
65	Himalaya Food International Ltd.	Agro products
66	Hindustan Unilever Ltd.	Retail & FMCG



<b>Sr. No.</b>	<b>Name of Company</b>	<b>Industry Type</b>
67	Hipolin Ltd.	Retail & FMCG
68	Honeywell Automation India Ltd.	Power utilities and equipments
69	Housing Development & Infrastructure Ltd.	Realty
70	ICICI Bank	Banks
71	ICICI Lombard General Insurance Company Ltd.	Insurance
72	ICICI Prudential Life Insurance Company Ltd.	Insurance
73	IDFC First Bank Ltd.	Banks
74	IDFC Ltd.	NBFCs & Housing Finance
75	IIFL Finance Ltd.	NBFCs & Housing Finance
76	IL&FS Investment Managers Ltd.	NBFCs & Housing Finance
77	Indiabulls Housing Finance Ltd.	NBFCs & Housing Finance
78	Indiabulls Real Estate Ltd.	Realty
79	Indian Bank Ltd.	Banks
80	Indian Oil Corporation Ltd.	Oil & Gas
81	Indraprastha Gas Ltd.	Oil & Gas
82	Infibeam Avenues Ltd.	IT Consulting & Software
83	Info Edge (India) Ltd.	IT Consulting & Software
84	Infosys Limited	IT Consulting & Software
85	Inox Leisure Ltd.	Entertainment
86	Inox Wind Ltd.	Power utilities and equipments
87	Intellect Design Arena Ltd.	IT Consulting & Software
88	Interglobe Aviation Ltd.	Airlines
89	ITC Ltd.	Retail & FMCG
90	J K Cement Ltd.	Cement & Cement Products
91	Jagran Prakashan Ltd.	Media
92	Jaiprakash Associates Ltd.	Construction & Engineering
93	Jamna Auto Industries Ltd.	Auto Parts & equipments
94	Jindal Stainless (Hisar) Ltd.	Iron & Steel
95	JK Lakshmi Cement Ltd.	Cement & Cement Products
96	JSW Steel Ltd.	Iron & Steel
97	Jubilant Food works Ltd.	Restaurants
98	Just Dial Ltd.	Media
99	Kalpataru power Transmission Ltd.	Power utilities and equipments
100	Kansai Nerolac Paints Ltd.	Paints
101	Karnataka Bank Ltd.	Banks

<b>Sr. No.</b>	<b>Name of Company</b>	<b>Industry Type</b>
102	KEC International Ltd.	Power utilities and equipments
103	Lakshmi Machine Works Ltd.	Textiles
104	Lakshmi Vilas Bank Ltd.	Banks
105	Larsen & Toubro Ltd.	Construction & Engineering
106	Larsen & Toubro Infotech Ltd.	IT Consulting & Software
107	LIC Housing Finance Ltd.	NBFCs & Housing Finance
108	Lupin Ltd.	Pharmaceuticals & Chemicals
109	Lux Industries Ltd.	Retail & FMCG
110	Magma Fincorp Ltd.	NBFCs & Housing Finance
111	Mahanagar Gas Ltd.	Oil & Gas
112	Mahindra & Mahindra Ltd.	Automobiles & Commercial Vehicles
113	Mahindra & Mahindra Financial Services Ltd.	NBFCs & Housing Finance
114	Maruti Suzuki India Ltd.	Automobiles & Commercial Vehicles
115	Max India Ltd.	NBFCs & Housing Finance
116	Meghmani Organics Ltd.	Pharmaceuticals & Chemicals
117	Minda Industries Ltd.	Auto Parts & equipments
118	Mindtree Ltd.	IT Consulting & Software
119	Monsanto India Ltd.	Agro products
120	Motherson Sumi Systems Ltd.	Auto Parts & equipments
121	MRF Ltd.	Auto Parts & equipments
122	Nava Bharat Ventures Ltd.	Power utilities and equipments
123	Navin Fluorine International Ltd.	Pharmaceuticals & Chemicals
124	Navkar Corporation Ltd.	Transportation - Logistics
125	NBCC (India) Ltd.	Construction & Engineering
126	Network18 Media & Investments Ltd.	Media
127	NIIT Technologies Ltd.	IT Consulting & Software
128	Nilkamal Ltd.	Retail & FMCG
129	NLC India Ltd.	Power utilities and equipments
130	NTPC Ltd.	Power utilities and equipments
131	Oil And Natural Gas Corporation Ltd.	Oil & Gas
132	Oracle Financial Services Software Ltd.	IT Consulting & Software
133	Orient Beverages Ltd.	Retail & FMCG
134	Orient Cement Ltd.	Cement & Cement Products
135	Page Industries Ltd.	Retail & FMCG
136	Parag Milk Foods Ltd.	Retail & FMCG

<b>Sr. No.</b>	<b>Name of Company</b>	<b>Industry Type</b>
137	PC Jeweller Ltd.	Retail & FMCG
138	Petronet LNG Ltd.	Oil & Gas
139	Pidilite Industries Ltd.	Pharmaceuticals & Chemicals
140	PNC Infratech Ltd.	Construction & Engineering
141	power Finance Corporation Ltd.	NBFCs & Housing Finance
142	PTC India Ltd.	Power utilities and equipments
143	Punjab National Bank	Banks
144	PVR Ltd.	Entertainment
145	Qess Corp Ltd.	Diversified
146	Radico Khaitan Ltd.	Breweries & Distilleries
147	Rajesh Exports Limited	Retail & FMCG
148	Raymond Ltd.	Textiles
149	Redington (India) Ltd.	IT Consulting & Software
150	Reliance Communications Ltd.	Telecom Services
151	Reliance Industries Limited	Oil & Gas
152	Repco Home Finance Ltd.	NBFCs & Housing Finance
153	Sadbhav Engineering	Construction & Engineering
154	Sharda Cropchem Ltd.	Agro products
155	Shoppers Stop Ltd.	Retail & FMCG
156	Shriram City Union Finance Ltd.	NBFCs & Housing Finance
157	Sobha Ltd.	Realty
158	Solar Industries India Ltd.	Pharmaceuticals & Chemicals
159	Speciality Restaurants Ltd.	Restaurants
160	State Bank Of India	Banks
161	Steel Authority Of India Ltd.	Iron & Steel
162	Strides Pharma Science Ltd.	Pharmaceuticals & Chemicals
163	Sun Pharma Advanced Research Company Ltd.	Pharmaceuticals & Chemicals
164	Sun Pharmaceutical Industries Ltd.	Pharmaceuticals & Chemicals
165	Sun TV Network Ltd.	Entertainment
166	Suzlon Energy Ltd.	Power utilities and equipments
167	Syngene International Ltd.	Pharmaceuticals & Chemicals
168	Tata Chemicals Ltd.	Pharmaceuticals & Chemicals
169	Tata Consultancy Services Ltd.	IT Consulting & Software
170	Tata Global Beverages Ltd.	Retail & FMCG

<b>Sr. No.</b>	<b>Name of Company</b>	<b>Industry Type</b>
171	Tata Motors Ltd.	Automobiles & Commercial Vehicles
172	Tata Steel Ltd.	Iron & Steel
173	Teamlease Services Ltd.	Diversified
174	Tech Mahindra Ltd.	IT Consulting & Software
175	The Phoenix Mills Ltd.	Realty
176	The Ramco Cements Ltd.	Cement & Cement Products
177	Thyrocare Technologies Ltd.	Healthcare
178	Time Technoplast Ltd.	Retail & FMCG
179	Torrent Pharmaceuticals Ltd.	Pharmaceuticals & Chemicals
180	Torrent power Ltd.	Power utilities and equipments
181	TV18 Broadcast Ltd.	Entertainment
182	UCO Bank	Banks
183	Ujjivan Financial Services Ltd.	NBFCs & Housing Finance
184	Ultratech Cement Ltd.	Cement & Cement Products
185	Union Bank Of India	Banks
186	United Breweries Ltd.	Breweries & Distilleries
187	V-Mart Retail Ltd.	Retail & FMCG
188	Vodafone Idea Ltd.	Telecom Services
189	Voltas Ltd.	Retail & FMCG
190	Welspun India Ltd.	Textiles
191	Whirlpool Of India Ltd.	Retail & FMCG
192	Wipro Ltd.	IT Consulting & Software
193	Yes Bank Ltd.	Banks

## Qualification

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
1	IL&FS Investment Managers Ltd.	31st March, 2019	NBFCs & Housing Finance	<ul style="list-style-type: none"> <li>• Attention is invited to Note 32 of the standalone financial statements which describes the situation facing the Company in view of the investigation by Serious Fraud Investigation Office of Ministry of Company Affairs (SFIO) against Infrastructure Leasing &amp; Financial Services Limited ('IL&amp;FS' or 'the Holding Company'), and its subsidiaries (including the Company). Further, the National Company Law Tribunal (NCLT) has ordered re-opening of books of accounts of IL&amp;FS and its two subsidiaries (other than this Company) for the past financial years referred in the note. However, the Supreme Court of India has stayed NCLT order to reopen past books of IL&amp;FS and its above referred two subsidiaries. In view of the aforesaid ongoing investigations of the entire IL&amp;FS Group (including the Company) by the SFIO and re-opening of books of accounts of the Holding Company and its above referred two subsidiaries by the NCLT, we are unable to comment on the consequential impact thereof on these standalone financial statements.</li> <li>• Attention is invited to Note 25 of the standalone financial statements which describes that the Company has not been able to determine the accurate and complete list of related parties for the period 1 April 2017 to 31 March 2019, as defined under IND AS 24, Related Party Disclosures and as per the Act. In the absence of the said information, we are unable to obtain sufficient appropriate audit evidence with regard to completeness and accuracy of related party disclosures made in the standalone financial statements and on the Company's compliance with the provisions of the Act with regard to related party transactions. We also draw attention to the qualified opinion paragraph of our report on internal financial controls in Annexure B. We conducted our audit in</li> </ul>	B S R & Associates LLP	Standalone

## Qualification

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
				<p>accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.</p>		
2	Jaiprakash Associates Ltd.	31st March, 2019	Construction & Engineering	<p>Basis of Qualified opinion</p> <p>Attention is drawn to: Refer Note No. 45 of Standalone Financial Statements, the insolvency petition filed by the IDBI with the National Company Law Tribunal ('NCLT'), Allahabad against the Jaypee Infratech Limited (JIL) (Subsidiary of the company) was admitted and Interim Resolution Professional ('IRP') personnel was appointed by the NCLT. The Hon'ble Supreme Court of India also admitted the Petition/Intervention filed by certain home buyers of Jaypee Infratech Limited and gave various interim directions from time to time including continuation of Corporate Insolvency Resolution Process (CIRP).</p> <p>The Hon'ble Supreme Court vide its final order dated August 09, 2018 while disposing the case inter-alia directed recommencement of CIRP with effect from the date of the Order. The Apex Court also ordered transfer of ₹ 750 Crores deposited by the Company to NCLT. In view of the pendency / ongoing IRP proceedings with the NCLT Allahabad;</p> <p>i. The impact on the carrying value of the following is not ascertainable:</p>	Rajendra K Goel & Co.	Standalone

## Qualification

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
				<ul style="list-style-type: none"> <li>• Current receivable of ₹ 306.36 Crores,</li> <li>• Corporate guarantees amounting to ₹ 254.24 Crores to the lenders of the JIL. No fair valuation of which has been done as per requirements of Ind-AS 113 and as such impact of which is not ascertainable.</li> <li>• Deposit of ₹ 750 Crores lying with NCLT.</li> </ul> <p>ii. The company's Non-current investment in the equity shares of JIL is ₹ 849.26 Crores. The market value of JIL share as on 31.03.2019 being ₹ 2.45 of ₹ 10 each per share. The impairment based on the market value of share amounts to ₹ 641.75 Crores which have not been considered in the accounts by the management in view of pending/ongoing IRP proceeding and offer of JAL under section 12A of Insolvency and Bankruptcy Code 2016. Had this provision been made the loss would have increased to that extent. Matters stated above have also been qualified in our report in preceding year. We conducted our audit in accordance with the Standard on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of Companies Act, 2013 and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.</p>		

## Qualification

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
3	Reliance Communications Ltd.	31st March, 2019	Telecom Services	Note no. – 2.16 & 2.36 of the Consolidated Financial Statements regarding, “Assets Held for Sale (AHS)” including Spectrum acquired on Deferred Payment Basis, being carried at the value determined in Financial Year 2017-18, pursuant to the Definitive Binding Agreement (DBA) dated December 28, 2017 & August 11, 2018 for monetization of assets of the Company and two of its subsidiaries namely Reliance Infratel Ltd (RITL) & Reliance Telecom Ltd. (RTL) with Reliance JIO Infocomm Ltd. As the said agreement has been terminated on mutual consent on 18th March, 2019 fair value of AHS at the reporting date hasn’t been ascertained for the group. Further, the Company & RTL have defaulted in payment of spectrum installments due to Department of Telecom (DOT), the ultimate realisability of AHS is presently not ascertainable. Non determination of fair value on the reporting date is not in compliance with IND AS 105 “Non Current Assets Held for Sale and Discontinued Operations”. Accordingly, we are unable to comment on the consequential impact, if any, on the Consolidated Financial Statements.	Pathak H D & Associates	Consolidated
4	Reliance Communications Ltd.	31st March, 2019	Telecom Services	Note No. – 2.53 of the Consolidated Financial Statements regarding commencement of CIRP and various claims submitted by the Operational/financial/ other creditors and employees and pending reconciliation and determination of final obligation during CIR Process, the Company and some of its subsidiaries have not provided interest on borrowings amounting to ₹ 4,389 crore for the year ended March 31, 2019 and ₹ 3,609 crore for the previous financial year as per the original terms of the borrowings. Also the Company has not provided foreign exchange variance loss amounting to ₹ 984 crore for the year ended March 31, 2019. Had such	Pathak H D & Associates	Consolidated



## Qualification

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
				interest and foreign exchange variation (gain)/ loss as mentioned above been provided, the reported loss for the year ended March 31, 2019 would have been ₹ 12,591 crore & ₹ 27,516 crore for the year ended March 31,2018 and Total Equity of the Company would have been negative ₹ 13,162 crore as at March 31, 2019 & ₹ 826 crore as at March 31, 2018. Non provision of Bank interest is not in compliance with IND AS 23 “Borrowing Costs” and non-recognition of foreign exchange variation (gain)/ loss is not in compliance with IND AS 21 “The Effects of Changes in Foreign Exchange Rates.		
5	Reliance Communications Ltd.	31st March, 2019	Telecom Services	Note no. – 2.36 of the Consolidated Financial Statements, Qualified Audit Report issued by the Auditors of six subsidiaries of the Company in respect of going concern of those subsidiaries, for the reasons stated in the Consolidated Financial Statements.	Pathak H D & Associates	Consolidated
6	Reliance Communications Ltd.	31st March, 2019	Telecom Services	Note no. – 2.15 and 2.32 of the Financial Statements “Assets Held for Sale (AHS)” including Spectrum acquired on Deferred Payment Basis, being carried at the value determined in Financial Year 2017-18, pursuant to the Definitive Binding Agreement (DBA) dated December 28, 2017 & August 11, 2018 for monetization of assets of the Company and two of it’s subsidiaries namely Reliance Infratel Ltd. (RITL) & Reliance Telecom Ltd. (RTL) with Reliance Jio Infocomm Ltd. As the said agreement has been terminated on mutual consent on March 18, 2019 and the Company and RTL have defaulted in payment of spectrum instalments due to Department of Telecom (DOT), the ultimate realisability of AHS is presently not ascertainable. Non determination of fair value on the reporting date is not in compliance with IND AS 105	Pathak H D & Associates	Standalone

## Qualification

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
				<p>“Non Current Assets Held for Sale and Discontinued Operations”. Accordingly we are unable to comment on the consequential impact, if any, on the Financial Statements.</p> <p>B) Commencement of Corporate Insolvency Resolution Process (CIRP) and various claims submitted by Operational/ Financial/ Other creditors and employees and pending reconciliation and determination of final obligation during Corporate Insolvency Resolution (CIR) Process, the Company has not provided interest on borrowings amounting to ₹ 4,387 crore for the current Financial Year (FY) &amp; ₹ 3,609 crore for the previous FY as per the terms of the borrowings. Also the Company has not provided foreign exchange losses amounting to ₹ 984 crore for the current FY, resulting in under statement of loss by the said amounts. Had such interest and foreign exchange losses as mentioned above been provided, the reported loss for the year ended March 31, 2019 &amp; March 31, 2018 would have been ₹ 12591 crore &amp; ₹ 27516 crore respectively and total equity of the Company would have been ₹ 13162 crore and ₹ 826 crore respectively. Non provision of Bank interest is not in compliance with IND AS 23 “Borrowing Costs” and non recognition of foreign exchange losses is not in compliance with IND AS 21 “The Effects of Changes in Foreign Exchange Rates”.</p> <p>C) Pending impairment review by the Company of it’s tangible &amp; intangible assets including capital work in progress, investments and other financial and non financial assets as at March 31, 2019, hence no provision in the books of account has been made by the Company. In the absence of assessment of impairment/ provisions by the Company, we are unable to comment on the recoverable amount with regard to said items.</p>		

## Qualification

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
7	Reliance Communications Ltd.	31st March, 2019	Telecom Services	Note no. – 2.49 of the Financial Statements regarding commencement of Corporate Insolvency Resolution Process (CIRP) and various claims submitted by Operational/ Financial/ Other creditors and employees and pending reconciliation and determination of final obligation during Corporate Insolvency Resolution (CIR) Process, the Company has not provided interest on borrowings amounting to ₹ 3,907 crore for the current Financial Year (FY) & ₹ 3,055 crore for the previous FY as per the terms of the borrowings. Also the Company has not provided foreign exchange losses amounting to ₹ 803 crore for the current FY, resulting in under statement of loss by the said amounts. Had such interest and foreign exchange losses as mentioned above been provided, the reported loss for the year ended March 31, 2019 & March 31, 2018 would have been ₹ 1,863 crore & ₹ 12,925 crore respectively and total equity of the Company would have been ₹ 4,621 crore and ₹ 6,261 crore respectively. Non provision of Bank interest is not in compliance with IND AS 23 “Borrowing Costs” and non recognition of foreign exchange losses is not in compliance with IND AS 21 “The Effects of Changes in Foreign Exchange Rates”.	Pathak H D & Associates	Standalone
8	Reliance Communications Ltd.	31st March, 2019	Telecom Services	Note no. 2.15 and 2.32 of the Financial Statements, regarding the pending impairment review by the Company of its tangible & intangible assets including capital work in progress, investments and other financial and non financial assets as at March 31, 2019, hence no provision in the books of account has been made by the Company. In the absence of assessment of impairment/ provisions by the Company, we are unable to comment on the recoverable amount with regard to said items.	Pathak H D & Associates	Standalone

## Qualification

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
9	Jaiprakash Associates Ltd.	31st March, 2019	Construction & Engineering	<ul style="list-style-type: none"> <li>• The insolvency petition filed by the IDBI with the National Company Law Tribunal ('NCLT'), Allahabad against the Jaypee Infratech Limited (JIL) (Subsidiary of the Holding company) was admitted and Interim Resolution Professional ('IRP') personnel were appointed by the NCLT. The Hon'ble Supreme Court of India also admitted the Petition/Intervention filed by certain home buyers of Jaypee Infratech Limited and gave various interim directions from time to time including continuation of Corporate Insolvency Resolution Process (CIRP).</li> <li>• The Hon'ble Supreme Court vide its final order dated August 09, 2018 while disposing the case inter-alia directed recommencement of CIRP with effect from the date of the Order. The Apex Court also ordered transfer of ₹ 750 Crores deposited by the Holding Company to NCLT. We also draw attention to Emphasis of Matter by the Independent Auditor of JIL on this matter that: Pursuant to the directive of Reserve Bank of India (RBI) dated 15th June, 2017. IDBI Bank Limited, the lead lender for consortium of lenders filed an application u/s 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule-4 of the Insolvency and Bankruptcy Code, 2016 (IBC) at Hon'ble National Company Law Tribunal (NCLT) at Allahabad to initiate Insolvency Resolution Process in JIL. Hon'ble NCLT, Allahabad vide its order dated 09th August 2017, admitted the said petition thus initiating insolvency process at JIL. Accordingly, Hon'ble NCLT, Allahabad Bench appointed Mr.Anuj Jain, as Interim Resolution Professional to carry the function as mentioned under the Insolvency and Bankruptcy Code. Since then the affairs of JIL are being managed by Mr. Anuj Jain, Interim Resolution Professional (IRP). The said corporate resolution process came to an end on 12th May, 2018 with rejection of the sole Resolution Plan by the Committee of creditor (CoC). Subsequent thereto Hon'ble</li> </ul>	Rajendra K Goel & Co.	Consolidated

## Qualification

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
				<p>Supreme Court of India while disposing of Writ Petition (Civil) No. 744 of 2017 filed by the Group of Home Buyers per its order dated 09th August 2018 interalia directed that the initial period of 180 days for the conclusion of the Corporate Insolvency Resolution Process (CIRP) in respect of JIL shall commence from the date of this order and a further extension of 90 days can be given by Hon'ble NCLT, if necessary. Hon'ble NCLT has extended the CIRP for 90 days vide its order dated 28th January 2019. The CIRP as directed by Hon'ble Supreme Court of India came to an end on 06th May, 2019. The Hon'ble NCLT, Allahabad in an application filed by the IDBI Bank directed per its order dated 06th/21st May 2019 that CoC and RP must be allowed to proceed further with the CIRP process in accordance with law and adjourned the matter for 29th July 2019. As per Section 20 of Insolvency Code 2016, the management and operations of JIL are being managed by RP/IRP Mr. Anuj Jain on a going concern basis and accordingly the financial statement for the year ended 31st March 2019 have been prepared on a Going concern basis. The expenses incurred on CIRP during the period 01st April 2018 to 31st March 2019 aggregates to ₹ 1,202.34 lakhs (for the year ended 31st March 2018 ₹ 1,168.45 lakhs). The outstanding overdue fixed deposits as on 31st March 2019 aggregates to ₹ 11,316.81 lakhs. The fixed deposit holders, being the financial creditors are a part of the CoC as per Insolvency code the repayment thereof is incumbent upon successful resolution plan for JIL. The finance cost inclusive of the Interest on debt for the year ended 31st March 2019 aggregating to ₹ 151,461.04 lakhs (Cumulative ₹ 237,608.36 lakhs as at 31st March 2019), is subject to the final outcome of the CIRP under IBC. Pursuant to an application filed by Resolution Professional at Hon'ble National Company</p>		

## Qualification

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
				<p>Law Tribunal (NCLT) Allahabad under section 66,43,45 &amp; 60 (5) (i) read with section 25 (2) (i) of IBC 2016 inter alia for release or discharge of security interest created by JIL on the land, the Hon'ble NCLT vide its order dated 16th May 2018 has passed the order for release and discharge of security interest created by JIL on 758 acres of land in favour of the Lenders of Jaiprakash Associates Limited (JAL), the holding company, and has further said that the properties mortgaged shall be deemed to be vested in JIL from the date of order. The lenders of JAL and JIL have since filed an appeal against the said order before Hon'ble NCLAT. The next date of hearing is 09th July 2019. The opinion of Auditor of JIL is not modified in respect of above matter. In view of the pendency / ongoing IRP proceedings with the NCLT Allahabad, the impact on the net worth of JIL, included in the consolidated financial statements is currently not ascertainable. Matter stated above has also been qualified in our report in preceding year. We conducted our audit of the consolidated financial statements in accordance with the standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of Group in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together the independent requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities 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 audit opinion on the consolidated financial statements.</p>		

## Material Uncertainty Relating to Going Concern

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
1	Reliance Communications Ltd.	31st March, 2019	Telecom Services	We draw attention to Note no. – 2.32 of the Financial Statements regarding termination of definitive binding agreement for monetization of assets of the Company and two of its subsidiaries namely RTL & RITL and National Company Law Appellate Tribunal (NCLAT) order dated April 30, 2019 vacating its order dated May 30, 2018 regarding staying National Company Law Tribunal (NCLT) order dated May 15, 2018 admitting the Company under IBC, 2016. The Company has accumulated losses, also the Company's current liabilities exceeded its current assets, its wireless operations has been suspended and there is considerable decline in the level of wire line operations. Further, the Company has defaulted in repayment of its borrowings, instalment dues related to Spectrum and payment of statutory dues. These events raise significant doubt on the ability of the Company to continue as a "Going Concern". These events or conditions, along with other matters indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.	Pathak H D & Associates	Standalone

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
1	Atul Ltd.	31st March, 2019	Agro products	<p>Adoption of IND AS 115, Revenue from contracts with customers (new revenue accounting standard)</p> <p>The Company sells products to the customers under different types of contractual terms. The application of the new revenue accounting standard involved assessing if distinct performance obligations exist under each type of the contracts, and ensuring appropriate and adequate disclosures in the Standalone Financial Statements.</p>	<p>The audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> <li>- Assessment of the processes of the Company for adoption of the new accounting standards.</li> <li>- Selecting a sample from each type of the contracts with the customers, and testing the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.</li> <li>- Carrying out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls.</li> <li>- Testing the relevant controls including access and change management controls of information technology systems, which are relevant for appropriate measurement and presentation of revenue and related account balances.</li> <li>- Performing following procedures on the samples selected: <ul style="list-style-type: none"> <li>- Reading, analysing and identifying the distinct performance obligations in these contracts.</li> <li>- Comparing these performance obligation with that identified and recorded by the Company.</li> <li>- Testing sample of revenues with the performance obligation specified in the underlying contracts.</li> <li>- Carrying analytical procedure for reasonable of revenue disclosed by segments.</li> <li>- Evaluating the appropriateness of adequate disclosures in accordance with the standards.</li> </ul> </li> </ul>	Deloitte Haskins & Sells LLP	Consolidated



## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
2	Atul Ltd.	31st March, 2019	Agro products	<p>Contingent liabilities and provisions</p> <p>- The Company has received certain claims from the government authorities and customers, which are disputed. These involve a high degree of judgement to determine the possible outcomes, and estimates relating to the timing and the amount of outflow of resources embodying economic benefits</p>	<p>The audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> <li>- Obtaining a detailed understanding processes and controls of the Management with respect to claims or disputes.</li> <li>- Evaluation of the design of the controls relating to compilation of the claims; assessment of probability of outcome, estimates of the timing and the amount of the outflows, an appropriate reporting by the management and testing implementation and operating effectiveness of the key controls.</li> <li>- Performing following procedures on samples selected: <ul style="list-style-type: none"> <li>- Understanding the matters by reading the correspondences, communications, minutes of the Audit Committee and/or the Board meetings and discussions with the appropriate Management personnel.</li> <li>- Making corroborative inquiries with appropriate level of the management personnel including status update, expectation of outcomes with the basis, and the future course of action contemplated by the Company, and perusing legal opinions, if any, obtained by the Management.</li> <li>- Obtaining direct confirmation from the legal attorneys of the company and considering their opinions /probability assessment of the outcomes.</li> <li>- Evaluating the evidence supporting the judgement of the management about possible outcomes and the reasonableness of the estimates. We involved our internal experts for technical guidance and evaluation of the assessments of the Management, as appropriate.</li> </ul> </li> </ul>	Deloitte Haskins & Sells LLP	Consolidated

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
					- Evaluating appropriateness of adequate disclosures in accordance with the applicable accounting standards.		
3	Mon-santo India Ltd.	31st March, 2019	Agro products	<p>Allowance for inventory obsolescence</p> <p>Refer to note 12 of the financial statements. The Company holds significant inventories and records allowance for identified and estimated inventory obsolescence. As at 31st March, 2019, the Company had inventories of ₹ 277.71 crores. The Company provides for obsolescence for Corn business considering the inventory on hand, expected harvest and expected sales till the end of the crop year. Further the estimates are validated by Laboratory tests and trends of the obsolescence in the past. The obsolescence covers inventory under work-in-progress and finished goods. Given the significant judgment involved in management's assessment, the allowance for inventory obsolescence is identified as a key audit matter</p>	<p>Our audit procedures in respect of this matter included:</p> <p>Understood management policy and process for identification of providing of obsolete inventory, including performing testing of controls to assess the effectiveness of the same.</p> <p>Reviewed the management's judgement applied in calculating the value of inventory obsolescence, taking into consideration laboratory testing reports and management assessment of the present and future condition of the inventory. Assessed the adequacy of the relevant disclosure in the notes to the financial statements.</p>	MSKA & Associates	Standalone
4	Sharda Crop-chem Ltd.	31st March, 2019	Agro products	<p>Sales return estimation</p> <p>As disclosed in Note 2 (e) to the standalone financial statements, revenue is recognised net of sales returns.</p> <p>Estimation of sales returns involves significant judgement and estimates due to its dependency on various internal and external factors.</p> <p>Estimation of sales return amount together with the level of judgement involved makes its accounting treatment a significant matter for our audit.</p>	<p>Comparison between the estimate of the provision for sales returns created in the past with subsequent actual sales returns and analysis of the nature of any deviations to corroborate the effectiveness of the management estimation process;</p> <p>Considering the appropriateness of the Company accounting policies regarding revenue recognition as they relate to accounting for rebates, discounts and scheme allowances;</p> <p>Testing the Company's process and controls over the calculation of rebates, discounts and scheme allowance;</p>	B S R & Associates LLP	Standalone

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
5	Inter-globe Aviation Ltd.	31st March, 2019	Airlines	<p>Leases and incentives: The Company operates certain new and used aircraft under both finance and operating lease arrangements. The Company has entered into sale and leaseback transactions for new aircraft.</p> <p>In determining the appropriate lease classification, IND AS 17 - "Leases" is applied by the Company and the substance of the transaction is considered rather than just the legal form. The Company receives certain non-refundable incentives in connection with the acquisition of new aircraft, which is recorded in the book of accounts basis the classification of leases and other factors as mentioned in IND AS 17 "Leases" such as fair value of aircraft etc. The determination of the lease classification and recording of related incentives is considered as a complex accounting matter and involves significant management's judgments. Accordingly, the classification of leases and accounting of incentives is regarded as a key audit matter.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>• evaluated the design and implementation of internal controls and tested the operating effectiveness of the internal control over classification of leases and related incentives;</li> <li>• reviewed the key terms of the leasing and aircraft acquisition contracts and evaluated managements judgments used in determining the classification of leases as per IND AS 17 "Leases";</li> <li>• on sample basis verified lease modification terms to assess if it will have a significant impact on the classification of leases.</li> <li>• obtained independent confirmations from airline and engine manufacturers with respect to incentives, which are received along with new aircraft; and</li> <li>• performed test of details to verify classification of leases and related incentives received during the current year ended 31 March 2019 and traced the same to bank statements, credit notes and other underlying contracts / documents.</li> </ul>	B S R & Co. LLP	Consolidated
6	Apollo Tyres Ltd.	31st March, 2019	Auto Parts & Equipments	<p>As detailed in Note C3 to the consolidated financial statement, the Group carries goodwill amounting to ₹ 1,993.25 million and intangibles amounting to ₹ 1,359.27 million (pertaining to Reifecom) in its consolidated balance sheet as at March 31, 2019. These goodwill and Intangibles were recorded on the acquisition of Reifecom GmbH, Germany, a multi-channel distributor for tyres and allied services,</p>	<p>Our audit procedures included:</p> <p>a) Obtained an understanding from the management with respect to process and controls followed by the Group to perform annual impairment test related to goodwill and intangibles.</p> <p>b) Obtained the impairment analysis model from the management and reviewed their conclusions, including reading the report provided by an independent valuation expert engaged by the management'</p>	Walker Chandio & Co. LLP	Consolidated

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
				<p>which has been determined as a cash generating unit ('CGU') by the management. In terms with Indian Accounting Standard 36, Goodwill As detailed in Note C3 to the consolidated financial annually at the CGU level, whereby the carrying amount of the CGU (including goodwill) is compared with the recoverable amount of the CGU. The recoverable amount is determined on the basis of the value in use which is the present value of future cash flows of the CGU using discounted cash flow model ('Model'), which involves estimates pertaining to expected business and earnings forecasts and key assumptions including those related to discount and long-term growth rates. These estimates require high degree of management judgement resulting in inherent subjectivity. The management has concluded that the recoverable amount of the CGU is higher than its carrying amount and accordingly, no impairment provision has been recorded as at 31 March, 2019. Considering the materiality of the amount involved and significant degree of judgement and subjectivity involved in the estimates and assumptions used in determining the cash flows used in the impairment evaluation, we have determined impairment of such goodwill and intangibles arising from the business combination as a key audit matter for the current year audit.</p>	<p>c) Tested the inputs used in the Model by examining the underlying data and validating the future projections by comparing past projections with actual results, including discussions with management relating to these Our audit procedures included;</p> <p>d) We reconciled the cash flow projections to the business plans approved by the Company's board of directors;</p> <p>e) We assessed the reasonableness of the assumptions used and appropriateness of the valuation methodology applied. Tested the discount rate and long-term growth rates used in the forecast including comparison to economic and industry forecasts where appropriate;</p> <p>f) Assessed the professional competence, objectivity and capabilities of the third party expert considered by the management for performing the required valuations to estimate the recoverable value of the goodwill and intangibles;</p> <p>g) Engaged our valuation specialists to assess the appropriateness of the significant assumptions used in the Model, which included comparing the underlying parameters of the discount and long term growth rates used with the publicly available information.</p> <p>h) Performed sensitivity analysis on these key assumptions to assess potential impact of downside in the underlying cash flow forecasts and assessed the possible mitigating actions identified by management.</p> <p>i) Assessed and validated the adequacy and appropriateness of the disclosures made by the management in the consolidated financial statements.</p>		

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
7	Apollo Tyres Ltd.	31st March, 2019	Auto Parts & Equipments	<p>As disclosed in Note C17 [contingent liability note] and Note C8 [Provision for contingencies note] to the standalone financial statements, the Company is involved in direct and indirect tax litigations ('litigations') amounting to ₹ 3,147.53 million that are pending with various tax authorities. Whether a liability is recognised or disclosed as a contingent liability in the financial statements is inherently judgmental and dependent on a number of significant assumptions and assessments. These AS disclosed in Note C17 [contingent liability note] timing of the cash outflows from the business and the interpretation of local laws and pending assessments at various levels of the statute. We placed specific focus on the judgements in respect to these demands against the Company. Determining the amount, if any, to be recognised or disclosed in the standalone financial statements, is inherently subjective. The amounts involved are potentially significant and due to the range of possible outcomes and considerable uncertainty around the various claims the determination of the need for creating a provision in the financial statements is inherently subjective and therefore is considered to be a key audit matter in the current year</p>	<p>Our procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding from the management with respect to process and controls followed by the Company for identification and monitoring of significant developments in relation to the litigations, including completeness thereof.</li> <li>• Obtained the list of litigations from the management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations. This involved assessing the probability of an unfavorable outcome of a given proceeding and the reliability of estimates of related amounts Our procedures included, but were not limited to, the following: documents / communications from the tax authorities and re-computation of the amounts involved.</li> <li>• Assessed management's conclusions through discussions held with the inhouse legal counsel and understanding precedents in similar cases;</li> <li>• Obtained and evaluated the independent confirmations from the consultants representing the Company before the various authorities.</li> <li>• Engaged auditor's experts, who obtained an understanding of the current status of the litigations, conducted discussions with the management, reviewed independent legal advice received by the Company, if any and considered relevant legal provisions and available precedents to validate the conclusions made by the management.</li> <li>• Assessed and validated the adequacy and appropriateness of the disclosures made by the management in the standalone financial statements.</li> </ul>	Walker Chandiook & Co. LLP	Standalone

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
8	Exide Industries Ltd.	31st March, 2019	Auto Parts & Equipments	The valuation of the actuarially determined life insurance liabilities (present value of expected future outflow including benefits to policyholders and future expenses less present value of expected future premium) by Exide Life Insurance Company Limited (ELI), a subsidiary, is based on complex actuarial methodologies and models involving comprehensive assumption setting processes with regards to future events. Actuarial assumptions selected by the aforesaid subsidiary with respect to interest rates, investment returns, mortality, morbidity, longevity, persistency, expenses, stock market volatility and future policyholder behaviour which may result in material impacts on the valuation of actuarially determined life insurance liabilities.	The statutory auditors of ELI have performed the following audit procedures: a. Tested the completeness and accuracy of material underlying data to source documentation. b. Reviewed the consistency of actuarial methods used by the Company in determining the life insurance liabilities. Further, the statutory auditors of ELI have relied upon Appointed Actuary's certificate for forming their opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists on financial statements of the Company.	B S R & Co. LLP	Consolidated
9	Exide Industries Ltd.	31st March, 2019	Auto Parts & Equipments	The Company's business involves the sale of products under warranty. Accordingly, the Company has recorded significant warranty provisions which are inherently judgmental in nature. These provisions are required for the Company to record an appropriate estimate of the ultimate costs of repairing and replacing product that is ascertained to be faulty.	Our audit procedures included, among other things, the evaluation of the process to calculate the provision for product warranties and the evaluation of the relevant assumptions and their derivation for the measurement of the provisions. Based on historical data used by the Company to estimate its provisions for product warranties, we assessed the permanence of methods used, the relevance and reliability of underlying data and calculations applied.  We also compared costs incurred to the previously recognized provisions to assess the quality of the management estimates. Based on evidence obtained, we concluded that management's process for identifying and quantifying warranty provisions was appropriate and that the resulting provision was reasonable.	B S R & Co. LLP	Standalone

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
10	MRF Ltd.	31st March, 2019	Auto Parts & Equipments	The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, effect of variable considerations and the appropriateness of the basis used to recognise revenue at a point in time or over a period of time.	<p>Principal Audit Procedures</p> <p>We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <p>Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.</p> <p>Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls. Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.</p> <p>Our procedures did not identify any material exceptions.</p>	SCA And Associates	Standalone
11	Minda Industries Ltd.	31st March, 2019	Auto Parts & Equipments	Investments in associates and joint ventures The Group carries its investments in associates and joint ventures at cost (net of provision) at an aggregate amount of ₹ 355.48 Crores as at 31 March 2019. The amount being significant to the consolidated financial statements,	Our audit procedures include: - Comparing the carrying amount of investments with audited financial statements of investee companies to identify whether their net assets, being an approximation of their minimum recoverable amount, were in excess of their carrying amount.	B S R & Co. LLP	Consolidated

## Key Audit Matters

Sr. No	Name of Company	Period/Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
				the determination of impairment charge required the application of significant judgments by management, in particular with respect to determination of recoverable/fair value amount of these investments which in aggregate is significant to the consolidated financial statements.	- Obtaining and reviewing recoverable amounts as determined by the management for each investment.		
12	Motherson Sumi Systems Ltd.	31st March, 2019	Auto Parts & Equipments	IND AS 115 has become applicable on the Group with effect from April 1, 2018 which prescribes detailed guidance for various elements of revenue recognition and requires detailed contract assessment as per the accounting principles prescribed under the newly applicable accounting standard. The application of new revenue accounting standard involves certain key judgements and interpretations relating to identification of separate performance obligations principal versus agent considerations, recognition of revenue over the period and recognition of contract acquisition costs. Accordingly, the matter has been identified as KAM.	The procedures performed by us and other auditors includes following: <ul style="list-style-type: none"> <li>Assessed the process followed by the management to identify the impact of adoption of new revenue accounting standard;</li> <li>Selecting a sample of contracts for each of the key scope in components and evaluated them along with supporting evidence to determine whether various elements of revenue recognition are assessed in accordance with the principles prescribed under IND AS 115;</li> <li>Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements.</li> </ul>	S.R. Batliboi & Co. LLP	Consolidated
13	Maruti Suzuki India Ltd.	31st March, 2019	Automobiles & Commercial Vehicles	Evaluation of uncertain tax positions relating to Income taxes and Excise duty: The Company has material uncertain tax positions including matters under disputes relating to Income taxes. Further, the Company has matters under litigation relating to Excise duty. These matters involve significant management judgement to determine the possible outcome of disputes. Refer to note 2.4 and 38 of the financial statements.	We obtained details of completed income tax and excise duty assessments during the year ended March 31, 2019 from the management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions relating to	Deloitte Haskins & Sells LLP	Standalone



## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
					Income taxes and matters under litigations for Excise duty. Additionally we considered the effect of new information in respect of uncertain tax positions and matters under dispute as at April 1, 2018 to evaluate whether any change was required to management's position on these uncertainties.		
14	Ashok Leyland Ltd.	31st March, 2019	Automobiles & Commercial Vehicles	<p>(Refer to Note 1B.6, Note 2.1, Note 3.7 of IND AS Financial statements)</p> <p>Effective April 01, 2018, on account of adoption of new revenue standard IND AS 115- Revenue from contracts with customer, the Holding company has changed its revenue recognition policy with regards to timing of recognition based on the satisfaction of the identified performance obligations and related disclosures. We focused on this area because revenue requires significant time and resource to audit due to the magnitude, revenue transaction to IND AS 115 and the adequacy of disclosures in this respect has been considered as key audit matter for the Holding company.</p>	<p>As part of our Audit, our procedures includes the following:</p> <ul style="list-style-type: none"> <li>- We obtained an understanding and assessed the design, implementation and operating effectiveness of management's key internal controls with regards to recognition of revenue.</li> <li>- We also involved our auditors' specialist to verify the appropriateness of the process and controls around IT systems as established by the management.</li> <li>- We tested the managements' evaluation of IND AS 115 and tested on a sample basis managements' working on recognition and measurement of multiple performance obligations and related variable considerations.</li> <li>- We have tested on sample basis whether revenue transactions near to the reporting data have been recognised in the appropriate period by comparing the transactions selected with relevant underlying documentation, including goods delivery notes and the terms of sales. We have inspected the underlying documentation to verify that the control and ownership has been transferred to the customer.</li> </ul>	Price Waterhouse & Co. Chartered Accountants LLP	Standalone

## Key Audit Matters

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					<p>- We also considered the adequacy of the consolidated IND AS financial statements disclosures in relation to IND AS 115.</p> <p>Based on the above procedures performed, we did not find any material exceptions with regards to revenue recognition including transition to IND AS 115, and those relating to presentation and disclosures pertaining to the Holding company.</p>		
15	Tata Motors Ltd.	31st March, 2019	Automobiles & Commercial Vehicles	Small changes in the key assumptions applied to the valuation of the liabilities being the discount rate, inflation rate and mortality / life expectancy used to value the JLR Group's pension obligation (before deducting scheme assets) would have a significant effect on the JLR Group's net pension deficit. The risk is that these assumptions are inappropriate resulting in an inappropriate valuation of scheme liabilities. (Refer note 2{s} and note 37 of the consolidated financial statements)	<p>The audit procedures applied by the auditor of the component</p> <p>Small changes in the key assumptions applied to the valuation—Controls:</p> <ul style="list-style-type: none"> <li>– Tested the controls over the assumptions applied in the valuation and inspected the JLR Group's annual validation of the assumptions used by its actuarial expert. Tested the controls operating over selection and monitoring of its actuarial expert for competence and objectivity;</li> <li>– Benchmarking assumptions: Challenged, with the support of their own actuarial specialists, the key assumptions applied to the valuation of the liabilities, being the discount rate, inflation rate and mortality/ life expectancy against externally derived data;</li> <li>– Assessing transparency: Considered the adequacy of the Group's disclosures in the consolidated financial statements in respect of the sensitivity of the deficit to these assumptions.</li> </ul>	B S R & Co. LLP	Consolidated

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
16	Tata Motors Ltd.	31st March, 2019	Automobiles & Commercial Vehicles	All audits assess and challenge the reasonableness of estimates, in particular as described in the key audit matters on the valuation of long-life intangible assets and capitalisation of product engineering costs (together referred to as “the key audit matters affected” and explained in section 4 and 5 below) and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements (see section 7 below). All of these depend on Assessment of the future economic environment and the JLR Group’s future prospects and performance. All audits assess and challenge the reasonableness of UK and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown.	<p>The component auditor developed a standardised approach to the consideration of the uncertainties arising from Brexit in planning and performing the audit. Their procedures included:</p> <ul style="list-style-type: none"> <li>– Brexit knowledge: The component auditor considered the JLR Group’s directors’ assessment of Brexit-related sources of risk for the JLR Group’s business and financial resources compared with their own understanding of the risks. They considered the directors’ plans to take action to mitigate the risks;</li> <li>– Sensitivity analysis: When addressing the key audit matter The component auditor developed a standardised approach they compared the directors’ analysis to their assessment of the full range of reasonably possible scenarios resulting from Brexit uncertainty and, where forecast cash flows are required to be discounted, considered adjustments to discount rates for the level of remaining uncertainty;</li> <li>– Assessing transparency: Other than assessing individual disclosures as part of their procedures on the key audit matters affected, the component auditor considered all of the Brexit related disclosures together, comparing the overall picture against their understanding of the risks. However, no audit should be expected to predict the unknowable factors or all possible future implications for accompany and this is particularly the case in relation to Brexit.</li> </ul>	B S R & Co. LLP	Consolidated

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
17	Mahindra & Mahindra Ltd.	31st March, 2019	Automobiles & Commercial Vehicles	<p>Within the financial services business, the Group has recognized impairment loss allowance of ₹ 2,215 crores as at 31 March 2019. The determination of impairment loss allowance is inherently judgmental and relies on managements' best estimate due to the following:</p> <ul style="list-style-type: none"> <li>• Increased level of data inputs for capturing the historical data to calculate the Probability of Default ('PDs') and Loss Given Default ("LGD") and the completeness and accuracy of that data;</li> <li>• Use of management overlays for considering the probability weighted scenarios, the forward looking macro-economic factors and the timing of cash flows; and</li> <li>• Criteria selected to identify significant increase in credit risk. Refer note 2(k) – significant accounting policy for impairment of financial assets.</li> </ul>	<p>We performed the following key audit procedures:</p> <ul style="list-style-type: none"> <li>• Assessed the design and implementation of controls in respect of the Group's loan loss impairment allowance process such as the timely recognition of impairment loss, the completeness and accuracy of reports used in the impairment allowance process and management review processes over the calculation of impairment allowance and the related disclosures on credit risk management;</li> <li>• Tested the relevant general IT and applications controls over key systems used in the impairment allowance processes. Evaluated whether the methodology applied by the Company is compliant with the requirements of the relevant accounting standards and confirmed that the calculations are performed in accordance with the approved methodology, including checking mathematical accuracy of the workings;</li> <li>• Tested the periods considered for capturing underlying data as base to PD and LGD calculations, are in line with Company's recent experience of past observed periods;</li> <li>• Challenged completeness and validity of management overlays with assistance of independent financial risk modelling experts by critically evaluating the risks that have been addressed by management through overlays and also considering whether there are other risks not captured which require additional overlays. We also tested management's workings supporting the overlay quantum; and</li> </ul>	B S R & Co. LLP	Consolidated

## Key Audit Matters

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					<ul style="list-style-type: none"> <li>Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the financial statements are appropriate and sufficient.</li> </ul>		
18	Mahindra & Mahindra Ltd.	31st March, 2019	Automobiles & Commercial Vehicles	<p>The Company has ₹ 1,713 crores of intangible assets under development and ₹ 2,334 crores of development expenditure capitalized as at 31 March 2019. Management uses judgment to classify research and development related expenditure to be expensed or capitalized as intangible assets under development. In addition, management reviews the carrying amounts of its intangible assets to determine whether there are any indications of impairment loss as the recoverable value of these intangible assets relies on certain assumptions and estimated of future performance which impact the valuation. If triggers of impairment exist, the carrying value of intangible assets are adjusted for any impairment loss in the statement of profit and loss. Refer note 2(f) and 2(g) – significant accounting policy for intangible assets and impairment of assets. Refer note 2(f) and 2(g) – significant accounting policy</p>	<p>We performed the following key audit procedures:</p> <ul style="list-style-type: none"> <li>Assessed design, implementation and operating effectiveness of key controls in respect of recognition and classification of development expenditure, and evaluation of existence of any impairment;</li> <li>Confirmed key development projects had the appropriate approval of the committee appointed by the Board;</li> <li>Tested project related expenditures with underlying documents relating to material costs, overheads and employee hours incurred to verify the existence and appropriateness of classification as research or development expenditure;</li> <li>Evaluated the compliance of management who perform the impairment assessment and assessed the methodology used by them with reference to the guidance in the applicable accounting standards; and</li> <li>Challenged project managers on the stage of development of key projects, judgments used by them for expected probable economic benefits and associated expenditures, and their assessment of feasibility of the projects.</li> </ul>	B S R & Co. LLP	Standalone

## Key Audit Matters

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19	Al-lahabad Bank	31st March, 2019	Banks	<p>Evaluations of IT systems:</p> <p>The Bank has system based identification of non performing assets in accordance with IRAC Norms.</p>	<p>We have assessed the efficacy of the system and we recommend that the system to be calibrated further to enhance the vigorousness.</p>	Nandy Halder & Ganguli, P L Tandon & Co., R. Gopal & Associates, JBMT & Associates, Prakash S. Jain & Co.	Standalone
20	Andhra Bank	31st March, 2019	Banks	<p>Asset Classification and Provisioning in respect of Advances</p> <p>We focused on Advances primarily because of the magnitude of this particular financial statement line item. Banks are governed by the prudential norms issued by the Reserve Bank of India on Income recognition, Asset Classification and provisioning pertaining to Advances. In terms of the said guidelines, Banks are required to classify Advances as Non Performing Assets (Sub Standard, Doubtful and Loss) based on prescribed rules involving time lines and to provide for their delinquency at specified percentages (15%, 25%, 40% and 100%) based on the period since when such advances remained in the non performing category. Identification of such non-performing advances is carried out in the bank based on system identification by the Core Banking Solution (CBS) solution software in operation i.e. Finacle. In order to comply with the prudential guidelines, the software has various controls and logics embedded therein. Although, identification of NPAs is rule based and system driven,</p>	<p>We have focused on the following judgements and estimates which could give rise to material misstatement or are potentially subject to management bias:</p> <p>a) The completeness and timing of recognition of depletion in the value of security; and</p> <p>b) The measurement of individually assessed provisions, which is dependent on the valuation of primary and collateral securities, realisable value of inventories, trade receivables, valuation of collateral securities, liquidation value, legal status, stage of insolvency proceedings in NCLT referred cases etc.</p> <p>In obtaining sufficient audit evidence we:</p> <p>a) Reviewed the operating effectiveness of key controls around the process of loan performance monitoring, assessment of drawing power in respect of Working Capital limits, evaluation of available security etc.;</p> <p>b) Evaluated and tested the key assumptions and judgements adopted by management in assessment of depletion in the value of securities and asset classification;</p>	Agarwal & Saxena, Ray & Co., Santosh Gupta & Co., G S Madhava Rao & Co.	Standalone

## Key Audit Matters

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				<p>the management exercises significant judgement when estimating the realizable value of primary security and consequently the individual and collective provision for delinquency in respect of NPAs. Advances comprise a substantial portion of the Bank's assets and since the management exercises significant judgement in the asset classification and provisioning, this has been considered by us as a key audit matter</p>	<p>c) Performed procedures to obtain comfort on the accuracy of the collective impairment calculation process through re calculation of the provision made based on realisable value of security and other parameters;</p> <p>d) For material non-performing advances, we assessed the adequacy of the recognised individual provision losses;</p> <p>We also performed the following procedures :</p> <p>a) Corrected all changes suggested by the Statutory Branch auditors with respect to income recognition, asset classification and provisioning.</p> <p>b) Reviewed and placed reliance upon the Independent Auditors Report and Long Form Audit Reports (LFAR) of the Statutory Branch Auditors.</p> <p>c) Reviewed and verified the correctness of the asset classification and provisioning in respect of all material advances in the branches audited by us.</p> <p>d) Tested compliance with the Significant accounting policies of the bank and the extant guidelines of the Reserve Bank of India.</p> <p>e) Checked the correctness of data input, logical controls in the software for the purpose of identification of non-performing assets and provisioning thereon across selected samples. Also reviewed the IT Audit reports for identifying any control weakness.</p> <p>f) Ensured correction of all material misstatements observed by us during the course of our testing process with respect to income recognition, asset classification and provisioning.</p>		

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					g) Reviewed the Concurrent Audit Reports, Internal Inspection Reports (SIFA), Stock Audit Reports, Forensic Audit Reports, Valuation Reports etc. for identifying material control weakness.		
21	Canara Bank	31st March, 2019	Banks	<p>Assessment of Deferred tax assets recognized by the bank on carry forward of losses.</p> <p>Deferred tax assets on unabsorbed depreciation or carry forward of losses are to be recognized only when there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Determination of virtual certainty is a matter of judgment based on convincing evidence. Considering the involvement of management's estimation and judgment in determining virtual certainty of sufficient future taxable income being available this matter has been determined as a key audit matter. Refer Para 10 of Schedule 19 to the Consolidated Financial Statements.</p>	<p>Principal Audit Procedures performed:</p> <ul style="list-style-type: none"> <li>• Considered the taxable profits of the bank and taxes paid in the past, obtained details of carry forward losses under income tax and details of estimates of taxable incomes for future periods without considering further capital infusion, of restructuring and without considering expected recoveries from assets where resolution proceedings are underway.</li> <li>• Tested the period over which the deferred tax assets on such unabsorbed losses would be recovered against future taxable income.</li> <li>• Tested the management's underlying assumptions and judgments in estimating the future taxable incomes against which such unabsorbed losses would be recovered.</li> <li>• We have reviewed past income tax assessment orders, unresolved tax issues and their current status under litigation, based on our understanding on the likely outcome of the issues on the dispute and the amount of allowable carry forward losses.</li> </ul>	Dagliya and Co., Komandoor & Co. LLP, D. K. Chhajjer & Co., SNK & Co.	Consolidated



## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
22	ICICI Bank	31st March, 2019	Banks	<p>Derivatives are valued through models with external inputs. The derivatives portfolio of the Bank primarily includes transactions which are carried out on behalf of its clients (and are covered on a back-to-back basis) and transactions to hedge the Bank's interest and foreign currency risk. A significant degree of management judgement is involved in the application of valuation techniques through which the value of the Bank's derivatives is determined. The financial statement risk arises particularly with respect to complex valuation models, parameters and inputs that are used in determining fair values. Considering the significance of the above matter to the financial statements, significant management estimates and judgements, and auditor attention required to test such estimates and judgements we have identified this as a key audit matter for current year audit.</p>	<p>Our audit procedures included, but were not limited to, the following: We included our valuation experts as a part of our audit team to obtain an understanding, evaluate the design, and test the operating effectiveness of the key controls over the valuation processes, including:</p> <ul style="list-style-type: none"> <li>- independent price verification performed by a management expert; and</li> <li>- model governance and validation. On a sample basis, our valuation experts performed an independent reassessment of the valuation of derivatives, to ensure compliance with the relevant regulations, reasonableness of the valuation methodology and the inputs used. We also challenged the appropriateness of significant models and methodologies used in valuation.</li> </ul>	Walker Chandiook & Co. LLP	Standalone
23	ICICI Bank	31st March, 2019	Banks	<p>The identification of NPAs and provisioning for advances is made in accordance with the extant RBI regulations or host country regulations, in the case of international branches. Based on our risk assessment, the following are significant in assessment of the NPA provisions:</p> <ul style="list-style-type: none"> <li>- Recognition of defaults, in accordance with the criteria set out in the RBI Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances (IRAC norms) or in accordance with the host country regulations, as applicable. Further, the Bank is</li> </ul>	<p>We tested the design and operating effectiveness of key controls, including IT based controls, focusing on the following:</p> <ul style="list-style-type: none"> <li>- Identification and classification of NPAs in line with RBI IRAC norms and certain qualitative aspects;</li> <li>- Periodic internal reviews of asset quality;</li> <li>- Assessment of adequacy of NPA provisions; and</li> <li>- Periodic valuation of collateral for NPAs. To test the identification of loans with default events and other triggers, we selected</li> </ul>	Walker Chandiook & Co. LLP	Standalone

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				<p>also required to apply its judgement to determine the identification of NPAs by applying certain qualitative aspects;</p> <p>- The measurement of provision under RBI guidelines is dependent on the ageing of overdue balances, secured/ unsecured status of advances, stress and liquidity concerns in certain sectors, and valuation of collateral. The provision on NPAs at certain overseas branches requires estimation of amounts and timing of expected future cash flows and exit values. Considering the significance of the above matter to the financial statements, the heightened regulatory inspections, and significant auditor attention required, we have identified this as a key audit matter for the current year audit.</p>	<p>a sample of performing loans and independently assessed as to whether there was a need to classify such loans as NPAs. With respect to provisions recognised towards NPAs, we selected samples based on high risk industry sectors, such as shipping, rigs, power, mining, and oil and gas exploration. For the samples selected, we reperformed the provision calculations and compared our outcome to that prepared by the management and challenged various assumptions and judgements which were used by the management. We assessed the appropriateness and adequacy of disclosures against the relevant account. Considering the significance of the above matter to the financial statements, the heightened regulatory inspections, and significant auditor attention required, we have identified this as a key audit matter for the current year audit.</p>		
24	Lakshmi Vilas Bank Ltd.	31st March, 2019	Banks	<p>Valuation of Investments As per RBI guidelines Investments are classified into 'Held for Trading' (HFT), Available for Sale(AFS) and Held to Maturity (HTM) categories at the time of purchase and HTM Investments are at amortised cost and AFS and HFT are at Mark to Market. Accordingly, our audit was focused on the key audit matter, due to the management's judgement in determining the value based on the policy of the bank, impairment assessments and the impact in the financial statements.</p>	<p>We conducted an assessment of the policies, controls, classifications and valuations of investments.</p> <p>Reviewed the appropriateness of the valuation, by test checking on the pricing, volatility, discount factors.</p> <p>Reviewed if the RBI policies are followed.</p> <p>Reviewed if the financial statements disclosures reflect the Bank's exposure to investments in line with the RBI policies and accounting standards.</p>	P. Chandrasekar LLP	Standalone

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25	Punjab National Bank	31st March, 2019	Banks	<p>Advances – classification and provisioning: (Refer Schedule 9 to the financial statements, read with the Accounting Policy No. 5). The advances are classified as performing and non performing advances (NPA) and provisioning thereon is made in accordance with the prudential norms as prescribed by the Reserve Bank of India (RBI). The classification and provisioning is done by the Bank's IT software Ladder which imports all the required data from Core Banking Solution (CBS). The extent of provisioning of NPA under the prudential norms are mainly based on its ageing and recoverability of the underlined security. In the event of any improper application of the prudential norms or consideration of the incorrect value of the security, as the valuation of the security involves high degree of estimation and judgement, the carrying value of the advances could be materially misstated either individually or collectively, and in view of the significance of the amount of advances in the financial statements i.e. 59.13% of total assets, the classification of the advances and provisioning thereon has been considered as Key Audit Matter in our audit.</p>	<p>Our audit approach included an understanding of the Bank's software, circulars, guidelines and directives of the Reserve Bank of India and the Bank's internal instructions and procedures in respect of the assets classification and its provisioning and adopted the following audit procedures:</p> <ul style="list-style-type: none"> <li>- Evaluated and understood the Bank's internal control system in adhering to the Relevant RBI guidelines regarding income recognition, asset classification and provisioning pertaining to advances.</li> <li>- Test checked the design and implementation as well as operational effectiveness of relevant controls, including involvement of manual process in relation to income recognition, asset classification and provisioning pertaining to advances</li> <li>- Reviewed the documentations, operations / performance and monitoring of the advance accounts, on test check basis of the large and stressed advances, to ascertain any overdue, unsatisfactory conduct or weakness in any advance account, examination of classification as per prudential norms of the RBI, in respect of the branches / relevant divisions audited by us. In respect of the branches audited by the branch statutory auditors, we have placed reliance on their reports. Further we have reviewed on test check basis the reports of the credit audit, inspection audit, risk based internal audit, concurrent audit, regulatory audit to ascertain the advances having any adverse features / comments, and</li> </ul>	G S Mathur & Co., MKPS & Associates, HDSG & Associates, M K Aggarwal & Co., A John Moris & Co.	Standalone

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					<p>reviewed the reports generated from CBS/Ladder.</p> <p>Our Results: The results of our audit process were observed to be adequate and satisfactory considering the materiality of the transactions.</p>		
26	State Bank Of India	31st March, 2019	Banks	<p>Investments include investments made by the Bank in various Government Securities, Bonds, Debenture, Shares, Security receipts and other approved securities. Investments constitute 26.27% of the Bank's total assets. These are governed by the circulars and directives of the Reserve Bank of India (RBI). These directions of RBI, <i>inter alia</i>, cover valuation of investments, classification of investments, identification of non-performing investments, the corresponding non-recognition of income and provision there against. The valuation of each category (type) of the aforesaid securities is to be done as per the method prescribed in circulars and directives issued by the RBI which involves collection of data/information from various sources such as FIMDA rates, rates quoted on BSE / NSE, financial statements of unlisted companies etc. Considering the complexities and extent of judgement involved in the valuation, volume of transactions, investments on hand and degree of regulatory focus, this has been determined as a Key Audit Matter. Accordingly, our audit was focused on valuation of investments, classification, identification of Non Performing Investments and provisioning related to investments.</p>	<p>Our audit approach towards Investments with reference to the RBI Circulars / directives included the review and testing of the design, operating effectiveness of internal controls and substantive audit procedures in relation to valuation, classification, identification of Non Performing Investments, Provisioning / depreciation related to Investments. In particular,</p> <p>a. We evaluated and understood the Bank's internal control system to comply with relevant RBI guidelines regarding valuation, classification, identification of Non Performing Investments, Provisioning/depreciation related to investments;</p> <p>b. We assessed and evaluated the process adopted for collection of information from various sources for determining fair value of these investments;</p> <p>c. For the selected sample of investments in hand, we tested accuracy and compliance with the RBI Master Circulars and directions by re-performing valuation for each category of the security. Samples were selected after ensuring that all the categories of investments (based on nature of security) were covered in the sample;</p> <p>d. We assessed and evaluated the process of identification of NPIs, and corresponding reversal of income and creation of provision;</p>	J. C. Bhalla & Co.	Consolidated

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					<p>e. We carried out substantive audit procedures to recompute independently the provision to be maintained and depreciation to be provided in accordance with the circulars and directives of the RBI. Accordingly, we selected samples from the investments of each category and tested for NPIs as per the RBI guidelines and recomputed the provision to be maintained in accordance with the RBI Circular for those selected sample of NPIs;</p> <p>f. We tested the mapping of investments between the Investment application software and the financial statement preparation software to ensure compliance with the presentation and disclosure requirements as per the aforesaid RBI Circular/directions.</p>		
27	Union Bank Of India	31st March, 2019	Banks	Income Recognition, Asset Classification (IRAC) & provisioning of Loans & Advances & investments as per the regulatory requirement: Loans & Advances & Investments are the largest class of assets forming 85.62% of the total assets as on March 31, 2019. Classification, income recognition and loss provisioning on the same are based on objective parameters as prescribed by the regulations (Reserve Bank of India's prudential norms & other guidelines). The management of the bank relies heavily on the IT systems (including CBS), exercise significant estimates and judgements, manual interventions, and uses services of experts to determine assets classification, income recognition & provisioning of losses.	<p>Our audit was focused on income recognition, asset classification &amp; provisioning pertaining to advances due to the materiality of the balances &amp; associated impairment losses. Our audit procedures included the assessments of controls over the approval, disbursements &amp; monitoring of the loans &amp; reviewing the logic &amp; assumptions used in the CBS &amp; other related IT systems for the compliance of IRAC &amp; provisioning norms &amp; its operating effectiveness. These included:</p> <p>- We have evaluated &amp; understood the Bank's internal control system in adhering to related RBI guidelines regarding income recognition, assets classification &amp; provisioning pertaining to advances/investments;</p>	S. Bhandari & Co., CNK & Associates LLP, Kirtane & Pandit LLP, R S Patel & Co., M G B & Co. LLP, B M Chatrath & Co. LLP	Standalone

## Key Audit Matters

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					<ul style="list-style-type: none"> <li>- System controls &amp; manual controls over the timely recognition of non-performing assets (NPA/NPI);</li> <li>- Operational existence &amp; effectiveness of controls over provisioning calculation models from the IT systems;</li> <li>- Overall controls on the loan approval, disbursement &amp; monitoring process in case of advances &amp; controls over the purchase, sale &amp; hold decision making system in case of investments;</li> <li>- We tested sample of loans/ investments (in case of branches visited by us) to assess whether they had been identified as non performing on timely manner, income recognised &amp; provisioning made as per IRAC norms;</li> <li>- We have also reviewed the reliability, effectiveness and accuracy of manual interventions, whether it has come to our notice, on a test check basis;</li> <li>- We have relied on reports / returns and work done by other Statutory Branch Auditors (SBA) in cases of branches not visited by us on overall comfort with respect to overall compliance in accordance with SA 600- Using work of Another Auditor;</li> <li>- We have reviewed the work done by other experts like Independent valuers, Lawyers, Legal Experts and other such professionals who have rendered services to the bank, in accordance with SA 620 Using the Work of an Auditor's Expert.</li> <li>- Further we have also reviewed the Bank's system of monitoring potentially weak and sensitive accounts which show a sign of stress;</li> </ul>		

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					<p>- We have also reviewed the reports &amp; observations of the Bank's internal audit/ inspection reports &amp; observations of the concurrent auditors of the same.</p> <p>- Verification of valuation, classification, provisioning and income recognition of investments by carrying our substantive test including arithmetic accuracy, data accuracy &amp; control over the financial reporting system.</p>		
28	Yes Bank Ltd.	31st March, 2019	Banks	Investments are classified into 'Held for Trading' ('HFT'), 'Available for Sale' ('AFS') and 'Held to Maturity' ('HTM') categories at the time of purchase. Investments, which the Bank intends to hold till maturity are classified as HTM investments. Investments classified as HTM are carried at amortized cost. Where, in the opinion of management, a diminution other than temporary, in the value of investments has taken place, appropriate provisions are required to be made. Investments classified as AFS and HFT are marked-to-market on a periodic basis as per the relevant RBI guidelines. We identified valuation of investments as a key audit matter because of the management judgment involved in determining the value of certain investments (Bonds and Debentures, Commercial papers and Certificate of deposits, security receipts) based on the policy and model developed by the Bank, impairment assessment for HTM book and the overall significant investments to the financial statements of the Bank. The Bank has exposure to derivative products which are accounted for on fair value	Assessing the design, implementation and operating effectiveness of management's key internal controls over classification, valuation, and valuation models. Reading investment agreements/term sheets entered into during the current year, on a sample basis, to understand the relevant investment terms and identify any conditions that were relevant to the valuation of financial instruments. Engaging our valuation specialists to assist us in evaluating the valuation models used by the Bank to value certain instruments and to perform, on a sample basis, independent valuations of the instruments and comparing these valuations with the Bank's valuations. Assessed the appropriateness of the valuation methodology and challenging the valuation model by testing the key inputs used such as pricing inputs, measure of volatility and discount factors. Compared the valuation methodology to criteria in the accounting standards/ RBI guidelines for sample of instruments we re-performed independent valuation where no direct observable inputs were used. We examined and	B S R & Co. LLP	Consolidated

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				(mark-to-market) in the books of account. The valuation of the Bank's derivatives, held at fair value, is based on a combination of market data and valuation models which often require a considerable number of inputs. Many of these inputs are obtained from readily available data, the valuation techniques for which use quoted market prices and observable inputs. Where such observable data is not readily available, then estimates are developed which can involve significant management judgment. We identified assessing the fair value of derivatives as a key audit matter because of the degree of complexity involved in valuing certain financial instruments and the degree of judgment exercised by management in identifying the valuation models and determining the inputs used in the valuation models.	challenged the assumptions used, by considering the alternate valuation method and sensitivity of other key factors Assessing whether the financial statement disclosures appropriately reflect the Bank's exposure to investments and derivatives valuation risks with reference to the requirements of the prevailing accounting standards and RBI guidelines.		
29	IDFC First Bank Ltd.	31st March, 2019	Banks	<p>2. Accounting for Amalgamation As set out in note 17A and 18.01, the Bank completed its Amalgamation with Capital First Limited, Capital First Home Finance Limited and Capital First Securities Limited (together referred to as "the CFL Group") with appointed date as October 1, 2018 and effective date as December 18, 2018. The Bank has accounted for the amalgamation by Purchase method as per AS 14</p> <p>- Accounting for Amalgamations. The amalgamation resulted in recognition of Intangible assets (Brand and Goodwill) aggregating to ₹ 2,599.35 crore which have been subjected to accelerated amortisation through Profit and</p>	<p>Our audit approach for testing of accounting of amalgamation included in particular :</p> <ul style="list-style-type: none"> <li>• we evaluated the Scheme of Amalgamation approved by the National Company Law Tribunal (NCLT);</li> <li>• we evaluated appropriateness of the Bank's selection of amalgamation accounting by Purchase method against the compliance with each of the conditions stipulated in AS 14 - Accounting for Amalgamation;</li> <li>• we tested internal controls over financial reporting of the merged entity;</li> <li>• we obtained management's workings for the accounting of the amalgamation and evaluated</li> </ul>	Deloitte Haskins & Sells LLP	Standalone



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				<p>Loss Account during the year ended 31 March 2019. The aforesaid intangible assets have been considered to be eligible for tax depreciation, consequently deferred tax asset has been recognised on timing difference. The Bank was also required to integrate internal controls over financial reporting of the merged entity. Due to the complexity of the transaction and the associated significant risk of misstatement involved in</p> <ul style="list-style-type: none"> <li>• integration of internal controls over financial reporting of the merged entity;</li> <li>• assumptions and estimates required to be made by the Management to determine the value of Intangible Assets which is based on independent valuer's report engaged by the management;</li> <li>• subsequent accelerated amortisation of these Intangible assets; and</li> <li>• significant management judgements involved regarding the future profit forecasts and application of tax laws for the recognition and measurement of deferred tax asset on amortised intangible assets The Accounting for Amalgamation is considered as key audit matter.</li> </ul>	<p>management's determination of the fair value of the net assets acquired, focusing on the valuation of intangible asset which is based on independent valuer's report engaged by the Management;</p> <ul style="list-style-type: none"> <li>• we evaluated the fair value of the acquired assets, focusing on the valuation methodologies and key assumptions applied;</li> <li>• we evaluated the competence of independent valuer engaged by management and involved our valuation specialists to assist in our assessment of the fair value of the acquired assets;</li> <li>• we evaluated the reasonableness of key assumptions based on our knowledge of the business and industry;</li> <li>• we evaluated the basis determined by the Management for accelerated amortisation of Intangible Assets through Profit and Loss Account during the year ended 31 March 2019;</li> <li>• with the support of our taxation specialists we performed evaluation of tax laws applicable to the Bank and verification of the management's assessment with respect to eligibility of intangible assets for tax depreciation;</li> <li>• we evaluated management's assessment of future revenues and operating margins by comparing actual results and with the help our internal valuation specialists we assessed the reasonableness of the revenue forecast by performing sensitivity analysis of the growth rates compared to peer banks.</li> </ul>		

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Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
30	Indian Bank Ltd.	31st March, 2019	Banks	<p>Valuation of securities:</p> <ul style="list-style-type: none"> <li>In respect of mortgage / Hypothecation of Fixed assets of the borrower, valuation is a key component. For arriving at the value of securities, we verify valuation report for fixed assets.</li> <li>The concern that arises in the above matter is that the valuation in case of fixed assets is adopted for the current year based on earlier years' reports coupled with variations in valuations done by different valuers.</li> </ul>	<p>Resolution for the matter:</p> <p>The inherent deficiency in adopting an earlier year's valuation for current year provisioning was brought to the attention of the management and discussed with those charged with governance. It was explained by the management that RBI's guidelines provide that a valuation made in respect of Fixed assets is valid for 3 years. As a prudent measure it was decided that updated valuation nearer to the date of the financials will be arranged. Further, as per the Bank's policy properties accepted as securities for advances of ₹ 5 crores and above will be valued by two independent valuers and if the difference in valuation between the two valuers is more than 15%, such valuation exercise will be repeated with the new valuer till it reaches a consensus. Based on this, the valuations furnished were adopted for the current year.</p>	Gandhi Minocha & Co., P A M S & Associates, P S Subramania Iyer & Co., M Thomas & Co., K C Mehta And Co.	Consolidated
31	Radico Khaitan Ltd.	31st March, 2019	Breweries & Distilleries	<p>Inventories: Inventories (net of provisions) of ₹ 35,971.29 Lacs constitute 23.35% of the current assets of the company as at 31st March 2019. The Inventory is lying at various locations, including at 3rd party premises. Packing material constitutes a major part of inventory and has risk of impairment.</p>	<ul style="list-style-type: none"> <li>Testing the inventory provisioning and challenging the assumptions for inventory valuation basis non-moving/slow-moving items.</li> <li>Review the policy of the management for physical verification and the documents related to management's physical count procedure actually followed at different locations.</li> <li>Sample testing of management physical verification report.</li> <li>We observe the physical verification process at locations of financial significance</li> <li>Identifying obsolete inventory, if any.</li> </ul>	BGJC & Associates LLP	Consolidated

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					<ul style="list-style-type: none"> <li>Obtain confirmation from C&amp;F agents and Tie up units being inventory at 3rd party locations and applying substantive procedure</li> <li>Assess the appropriateness and completeness of the related disclosure in the company's consolidated IND AS Financial Statements. Conclusion : Our procedures did not identify any material exceptions.</li> </ul>		
32	United Breweries Ltd.	31st March, 2019	Breweries & Distilleries	<p>Impairment of investment in subsidiary (as described in Note 2.1(v) and 5 of the standalone IND AS financial statements) The Company has investment of ₹ 4,500 Lakhs in equity shares of Maltex Masters Limited ('MML'), subsidiary, against which an provision for impairment of ₹ 1,959 Lakhs is carried as at March 31, 2019 Management has undertaken an impairment assessments at year end which involve use of significant estimates and assumptions."</p>	<ul style="list-style-type: none"> <li>We discussed and evaluated management assessment of impairment of investment in subsidiary.</li> <li>We evaluated the objectivity and independence of Company's specialists involved in the valuation process.</li> <li>We assessed the valuation method used and evaluated the key assumptions used by the management.</li> <li>We considered the disclosures in the standalone IND AS financial statements for compliance with disclosure requirements.</li> </ul>	S.R. Batliboi & Associates LLP	Standalone
33	JK Lakshmi Cement Ltd.	31st March, 2019	Cement & Cement Products	<p>Evaluation of uncertain civil and indirect tax positions and recoverability of amount deposited under protest as recoverable. The Company has material uncertain civil and indirect tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. The eventual outcome of these litigations is uncertain, and the positions taken by the management of the Company are based on the application</p>	<p>Our procedures included, but were not limited to the following: Obtained details of completed tax assessments of earlier years and demands as on March 31, 2019 from management of the Company. We have done assessment of the managements underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Based on management estimates and Independent legal opinion taken by Management of the company, the liability against</p>	S. S. Kothari Mehta & Co.	Standalone

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				<p>of significant judgement and estimation. The review of these matters requires application and interpretation of tax laws and reference to applicable judicial pronouncements.</p> <p>Based on management judgement and the advice from legal and indirect tax Consultants and considering the merits of the case, the Company has recognized provisions wherever required and for the balance matters, where the management expects favorable outcome, these litigations have been disclosed as contingent liabilities in the financial statements unless the possibility of out flow of resources is considered to be remote. Given the uncertainty and application of significant judgment in this area in terms of the eventual outcome of litigations, we determined this to be a key audit matter.</p>	<p>these matters are not yet certain hence the same has been shown as contingent liability in the current standalone financial statements.</p> <ul style="list-style-type: none"> <li>• Understanding and evaluating process and controls designed and implemented by the management including testing of relevant controls;</li> <li>• Gaining an understanding of the civil and indirect tax related litigations through discussions with the management, including the significant developments, additions and settlements during the year and subsequent to 31 March 2019;</li> <li>• Verifying demand notices received from various indirect tax authorities and evaluating the Company's written responses to those matters;</li> <li>• Evaluating the management's assessment on the likely outcome and potential magnitude by involving experts on complex or significant matters as considered necessary; and</li> <li>• Assessing the adequacy of the Company's disclosures.</li> </ul> <p>We did not identify any significant exceptions to the management's assessment of the ongoing civil, and indirect tax litigations as a result of the above procedures.</p>		
34	Ultra-tech Cement Ltd.	31st March, 2019	Cement & Cement Products	Subsidiaries Classified as Held for Sale (KAM of Ultratech Nathdwara Cement Limited) UNCL is in the process of entering into a sale agreement which results into loss of control of subsidiaries located in China and UAE. The assets and liabilities of these subsidiaries are classified as 'held for sale'. The same is considered as key audit	<p>Auditors of UNCL have carried out the following procedures in respect of these matters: Obtained management note from UNCL management for evaluation of discontinued operations. For this purpose:</p> <ul style="list-style-type: none"> <li>• Read minutes of meetings of Board of Directors of UNCL.</li> </ul>	B S R & Co. LLP, Khimji Kunverji & Co.	Consolidated

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				matter as it involves evaluation of conditions that is required to be satisfied for classification of assets held for sale, fair valuation of assets less cost of disposal and liabilities on such classification and consequential impairment, if any, and disclosure and presentation in the financial statements. (Refer note 59 to the consolidated IND AS financial statements)	<ul style="list-style-type: none"> <li>• Verified the Non-Disclosure Agreement entered in to by UNCL with the banker to identify prospective buyer.</li> <li>• Read communications between bankers and prospective buyers. Verified that impairment loss that is recognised on initial recognition and on subsequent measurement when carrying amount exceeds its fair value less costs of disposal. For this purpose: <ul style="list-style-type: none"> <li>• Obtained and relied on the audited financial statements of these subsidiaries audited by another auditor.</li> <li>• Obtained the valuation report of disposal group. For this purpose, we have involved our internal valuation experts to review the reasonableness of the valuer's assumptions. Verified the disclosure and presentation of financial statement in accordance with IND AS-105 'Non-current Assets held for sale and discontinued operations'</li> </ul> </li> </ul>		
35	The Ramco Cements Ltd.	31st March, 2019	Cement & Cement Products	The recognition and measurement of deferred tax items requires determination of differences between the recognition and the measurement of assets, liabilities, income and expenses in accordance with the Income Tax Act and other applicable tax laws including application of ICDS and financial reporting in accordance with IND AS. Assessment of Deferred Tax Assets is done by the management at the close of each financial year taking into account forecasts of future taxable results. We have considered the assessment of deferred tax liabilities and assets as a key matter due to the importance of management's estimation and judgment and the materiality of amounts.	The key matter was addressed by performing audit procedures which involved assessment of underlying process and evaluation of internal financial controls with respect to measurement of deferred tax and re-performance of calculations and assessment of the items leading to recognition of deferred tax in light of prevailing tax laws and applicable financial reporting standards. Furthermore we assessed the adequacy and appropriateness of the disclosures in the consolidated financial statements	SRSV & Associates, Ramakrishna Raja And Co.	Consolidated

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36	The Ramco Cements Ltd.	31st March, 2019	Cement & Cement Products	The Competition Commission of India (CCI) vide its order dated 31st August 2016 had imposed a penalty of ₹ 258.63 Crores on the company towards alleged cartelisation. The Company's appeal along with other cement companies had been dismissed by NCLAT vide its order dated 25th July 2018. Against the order, the Company appealed to the Hon'ble Supreme Court, which by its order dated 05th October 2018 admitted the appeal and directed to continue the interim order passed by NCLAT. Accordingly, the Company has re-deposited ₹ 25.86 Crores being 10% of the penalty. The Company, backed by legal opinion, believes that it has a good case and hence no provision is made. Management Judgement is involved in considering the probability of the claim being successful and we have accordingly designated this as a focus area of the audit.	In response to the risk of completeness of the disclosures and probability of claim being successful, we reviewed the legal advice obtained by the management from external legal advisor. We discussed the case with Management and reviewed the related documents.  We also reviewed the stand taken by other companies in the cement industry who are all also involved in this issue. We reviewed the disclosures for completeness based on our audit procedures.	SRSV & Associates, Ramakrishna Raja And Co.	Standalone
37	Sadbhav Engineering	31st March, 2019	Construction & Engineering	Revenue of the company is mainly from Construction Contracts.  Revenue from these contracts are recognized over a period of time in accordance with the requirements of IND AS 115, Revenue from Contracts with Customers. Due to the nature of the contracts, revenue recognition involves usage of percentage of completion method which is determined by survey of work performed, which involves significant judgments, identification of contractual obligations and the Company's rights to receive payments for performance completed till date, changes in scope and consequential revised contract price and recognition of the liability for loss making	Our audit procedures included but were not limited to:  • Read the accounting policy for revenue recognition of the Company.  • Obtained an understanding of the Company's processes and controls for revenue recognition process, evaluated the key controls around such process and tested those controls for the operating effectiveness.  • Performed tests of details, on a sample basis, and inspected the underlying customer contracts and relevant supporting documents. Also on sample basis, inspected the relevant underlying documents i.e. Request for inspection (RFI) and Daily progress Report (DPR).	Dhirubhai Shah & Co.	Standalone

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				contracts/onerous obligations. Revenue recognition involves aforesaid significant judgement and estimation. We therefore determined this to be a key audit matter.	<ul style="list-style-type: none"> <li>• Sample of revenue disaggregated by type and service offerings was tested with the performance obligation specified in the underlying contracts. We assessed the management's evaluation for the status of completion for projects.</li> <li>• Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basic of estimation of the variable consideration.</li> <li>• Performed analytical audit procedures for reasonableness of revenues disclosed by type and service offering.</li> <li>• Assessed the relevant disclosures made by the company in accordance with IND AS 115. Conclusion Based on the procedures performed above, we did not find any material exceptions with regards to adoption of IND AS 115 and timing of revenue recognition.</li> </ul>		
38	AIA Engineering Ltd.	31st March, 2019	Construction & Engineering	Revenue of the company mainly comprise of sale of high chrome mill internals to its customers and its overseas subsidiaries. Revenue recognition is a significant audit risk that revenue is recognised on sale of goods before the control in the goods is transferred. Revenue is also a key performance indicator of the company	<p>Our key audit procedures to assess recognition of revenue on sale of goods included the following:</p> <p>a) We assessed the appropriateness of the Company's revenue recognition policies, including those related to discounts and incentives by comparing with applicable accounting standards.</p> <p>b) We obtained an understanding of the process and assessed the design, implementation and operating effectiveness of the management's key controls in relation to revenue recognition</p>	B S R & Co. LLP	Standalone

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					<p>from sale of goods. We also tested the Company's controls over timing revenue recognition</p> <p>c) We also tested on sample basis whether specific revenue transactions around the year end have been recognised in appropriate period on the basis of sale contract</p> <p>d) We inspected the key customer contracts to identify terms and conditions related to acceptance of goods and the right to return and assessing the Company's revenue recognition policies with reference to the requirements of the prevailing accounting standards. We also considered adequacy of the Company's disclosures in respect of revenue and related estimates and judgements in the standalone IND AS financial statements.</p>		
39	Jaip-rakash As-sociates Ltd.	31st March, 2019	Con-struction & Engi-neering	Amortisation of Intangible Assets The auditors of HIMALYAN EXPRESSWAY LIMITED ('HEL'), a subsidiary of the holding company have reported that, in accordance with schedule II of the Act, the revenue from toll road was reviewed during the financial year and projected revenue has been adjusted with respect to revenue earned in past years realistic data and changes made in the estimates. Amortization of the expressway has been done on the basis of revised projected revenue.	<p>The subsidiary auditor reported, the following procedure have been performed by them:-</p> <ul style="list-style-type: none"> <li>• Assessed the Company's procedure for the projection of Revenue from Toll Road in accordance the requirements of the Act and Indian Accounting Standard applicable for the purpose.</li> <li>• Reviewed the collation of information and the logic of the report used to prepare for the projection of revenue and disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</li> </ul>	Rajendra K Goel & Co.	Consolidated



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40	Jaip-rakash As-sociates Ltd.	31st March, 2019	Con-struction & Engi-neering	The Holding Company recognises revenue in case of Revenue from Construction Contracts on the basis of stage of completion based on the proportion of contract costs incurred, relating to the total costs of the contract at completion. Thus the recognition of revenue is based on estimates in relation to total estimated costs of each contract and cost incurred. There are significant accounting judgments which include estimates of cost of completion of the Contract, the stages of completion and timing of revenue recognition. Estimates also takes into account various contingencies in the contracts & uncertain risks, disputed claims against the Holding company relating to different contract which are reviewed by the management on a regular basis over the contract life and adjusted appropriately. The revenue on contracts may also include variable consideration (variations and claims). Variable consideration is recognised when the recovery of such consideration is probable. Refer to Note Number 1 Significant Accounting Policies of the Standalone Financial Statements- 'Revenue from contracts with customers- Revenue from construction and other contracts'	Our procedures included: <ul style="list-style-type: none"> <li>• Assessing the appropriateness of the Holding Company's revenue recognition accounting policies in line with Ind AS 115 and testing thereof.</li> <li>• Assessed the appropriateness of the estimates used as well as their operating effectiveness;</li> <li>• Selection of sample of contracts for appropriate identification of performance obligations;</li> <li>• For the sample selected, reviewing for change orders and the impact on the estimated costs to complete;</li> <li>• Discussion with the qualified &amp; experienced project personnel regarding estimates of costs to complete for sample contracts, determination of milestones, various inherent contingencies in the contracts &amp; reasonableness of revenue disclosures.</li> </ul>	Rajendra K Goel & Co.	Consolidated

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41	Larsen & Toubro Ltd.	31st March, 2019	Construction & Engineering	<p>One of the components is highly dependent on technology due to the significant number of transactions that are processed daily and discrete IT Systems. The interest income is computed through various IT Systems and the interfacing of these system with the accounting system is critical aspect of audit. The audit approach relies extensively on automated controls and controls around in terface of different systems, therefore on the effectiveness of controls over IT systems. IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. Management has implemented Group wide preventive and detective controls across critical applications and infrastructure to reduce the risk over IT applications in the financial reporting process. Due to the pervasive nature, the auditors have assessed the risk of a material misstatement arising from technology as significant for the audit.</p>	<p>The component auditors have performed a range of audit procedures, which included the following: Access rights were tested over applications, operating systems and databases relied upon for financial reporting. Specifically, the tests were designed to cover the following:</p> <ul style="list-style-type: none"> <li>• New access requests for joiners were properly reviewed and authorised;</li> <li>• User access rights were removed on a timely basis when an individual left or moved role;</li> <li>• Access rights to applications, operating systems and databases were periodically monitored for appropriateness; and</li> <li>• Highly privileged access is restricted to appropriate personnel. Other areas that were independently assessed included password policies, security configurations, controls over changes to applications and databases and that business users, developers and production support did not have access to change applications, the operating system or databases in the production environment. Testing of automated controls and interface testing was carried out. Other procedures performed included:</li> <li>• Where inappropriate access was identified, we understood the nature of the access, and, where possible obtained additional evidence on the appropriateness of the activities performed;</li> <li>• Additional substantive testing was performed on specific year-end reconciliations and confirmations with external counterparties;</li> </ul>	Deloitte Haskins & Sells LLP	Consolidated

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					<ul style="list-style-type: none"> <li>A list of users' access permissions was obtained and manually compared to other access lists where segregation of duties was deemed to be of higher risk.</li> </ul>		
42	Larsen & Toubro Ltd.	31st March, 2019	Construction & Engineering	<p>The Company, in its contract with customers, promises to transfer distinct services to its customers which may be rendered in the form of engineering, procurement and construction (EPC) services through design-build contracts, and other forms of construction contracts. The recognition of revenue is based on contractual terms, which could range from cost plus fee to agreed unit price to lump-sum arrangements. At each reporting date, revenue is accrued for costs incurred against work performed that may not have been invoiced. Identifying whether the Company's performance have resulted in a service that would be billable and collectable where the works carried out have not been acknowledged by customers as of the reporting date, or in the case of certain defence contracts, where the evidence of work carried out and cost incurred are covered by confidentiality arrangements involves a significant amount of judgment.</p> <ul style="list-style-type: none"> <li>Recognition of revenue before formal acknowledgment of receipt of services by the customer could lead to an over or understatement of revenue and profit, whether intentionally or in error; and</li> </ul>	<p>The procedures performed included the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the Company's processes in collating the evidence supporting execution of work for each disaggregated type of revenue. Auditors have also obtained an understanding of the design of key controls for quantifying units of items / services that would be invoiced and the application of appropriate prices for each of such services;</li> <li>Tested the design and operating effectiveness of management's key controls in collating the units of services delivered and in the application of accurate prices for each of such services for samples of the un-invoiced revenue entries, which included testing of access and change management controls exercised in respect of related information systems;</li> <li>Tested samples of un-invoiced revenue entries with reference to the reports from the information system that records the costs incurred against the services delivered to confirm the work performed and application of appropriate margin applied for the respective services. The auditors have also tested whether appropriate adjustments have been made for the element of variable consideration related to committed service levels of</li> </ul>	Deloitte Haskins & Sells LLP	Standalone

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				<ul style="list-style-type: none"> <li>• Assessing the recoverability of amounts overdue against invoices raised which have remained unsettled for a significantly long period after the end of the contractual credit period also involves a significant amount of judgment.</li> </ul>	<p>performance. With regard to incentives, auditors tests were focused to ensure that accruals were restricted to only those items where contingencies were minimal;</p> <ul style="list-style-type: none"> <li>• Tested cut-offs for revenue recognized against un-invoiced amounts by matching the revenue accrual against accruals for corresponding cost;</li> <li>• For defence contracts which are covered under by statutory confidentiality arrangements, the auditors have compared the revenue recognised with amounts collected from customers to ensure that the gap between revenue recognised and collections is below the materiality threshold;</li> <li>• Extended the testing up to the date of approval of financial statements by the Board of Directors of the Parent entity to verify adjustments, if any, that may have been necessary upon receipt of approvals from customers for services delivered prior to the reporting date and/or collections there against;</li> <li>• Reviewed the delivery and collection history of customers against whose contracts un-invoiced revenue is recognised; and</li> <li>• Verification of subsequent receipts, post balance sheet date.</li> </ul>		

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43	Team lease Services Ltd.	31st March, 2019	Diversified	<p>Goodwill: Goodwill represents 11.54% of the Group's total assets and 23.31% of the Group's total shareholder's equity as of March 31, 2019. In determining the fair value/value in use of business reporting units, the Group has applied judgment in estimating future revenues, operating profit margins, long-term growth rate and discount rates. The carrying value of goodwill is tested annually for impairment. The Group performed its annual impairment test of goodwill and determined that there was no impairment. Key assumptions concerning the impairment test are disclosed in Note 5 to the consolidated IND AS financial statements. Due to the significance of the carrying value of goodwill and judgment involved in performing impairment test, this matter was considered significant to our audit.</p>	<p>We assessed the Group's internal controls over preparation of annual budgets and future forecasts for various business reporting units and the approach followed for annual impairment test and key assumptions applied. We assessed reasonableness of the future revenue and margins, the historical accuracy of the Group's estimates and its ability to produce accurate long-term forecasts. We involved our valuation specialists to assist in examining the Group's valuation model and analyzing the underlying key assumptions, including long-term growth rates and discount rates. We evaluated the sensitivity in the valuation, resulting from changes to key assumptions applied and compared the assumptions to corroborating information including industry reports and data from competitors, historic performance, local economic developments and industry outlook. We compared the future operating cash flow forecasts with the business plan and budgets approved by the Board.</p>	S.R. Batliboi & Associates LLP	Consolidated
44	Quests Corp Ltd.	31st March, 2019	Diversified	<p>Recoverability of deferred tax assets on Minimum Alternate Tax (MAT) credit The Company avails of the deductions under section 80JJAA of the Income Tax Act since 2016-17, based on an independent external opinion establishing its eligibility and after fulfilling the conditions for claiming such deduction as set out in that section. The Company recognises the Minimum Alternate Tax (MAT) credit on the premise that the growth in taxable profits in future years will outpace the quantum of deduction claimed</p>	<p>Principal Audit procedures: Our audit procedures consisted of challenging management's key assumptions relating to estimation of future taxable profits available for utilization of MAT credit. We have also considered the sensitivity to reasonable possibility of changes in key assumptions to ascertain whether these possible changes have a material effect on the availability of future taxable profits within the period available for utilization of deferred tax assets pertaining to MAT credit.</p>	Deloitte Haskins & Sells LLP	Standalone

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				under section 80JJAA of the Income Tax Act, thereby enabling the Company to utilize such MAT Credits. The cumulative deferred tax (MAT) asset balance at 31 March 2019 is ₹ 12,328.08 Lakhs. The ability of the Company to avail of the deferred tax assets involves several forward looking assumptions relating to growth in taxable profits and increase in employees over an extended period of time and therefore involves significant judgement. Refer note 2.3(i), note 2.17 and note 8 to the standalone financial statements.			
45	Carbonado Universal Ltd.	31st March, 2019	Diversified	During the year, the Parent has recognised revenue of ₹ 17,519.12 million as revenue from sale of goods and services. Revenue from sale of goods is recognised under IND AS 115 - 'Revenue from Contracts with Customers' at a point in time when the control has been transferred, which generally coincides with dispatch of products to customers in case of domestic sales and on the basis of bill of lading in the case of export sales. Revenue from services is recognised over a period of time/ at a point in time, as per the terms agreed with the customers. We determined this to be a key audit matter due to the significance of the time and effort involved in assessing the appropriateness of revenue recognition including accounting for the discounts and covering the aspects of completeness, accuracy, occurrence and cut off performance of obligations differ from the estimates as applied,	<p>a. Understood and performed procedures to assess the design and test the operating effectiveness of relevant controls related to recording of revenue including the related discounts.</p> <p>b. Assessed whether the policy of recognising revenue was in line with IND AS - 115.</p> <p>c. Tested the reconciliation of the amounts as per the sales register to the general ledger.</p> <p>d. Performed tests, on sample basis by validating the amounts recorded with the underlying documents which inter - alia includes invoices, dispatch documents, customer orders/contracts, receipt of consideration from customers and allocation of variable consideration namely discounts.</p> <p>e. Performed tests, on sample basis on revenue recognised from services, and ensured that the revenue was recognised over a period of time/ at a point in time, as per the terms contracted with customers.</p>	Price Waterhouse Chartered Accountants LLP	Standalone

## Key Audit Matters

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				this will have an impact on the accuracy of revenue recognized in the current year and accrued as at year end.	f. Performed cut off testing, on sample basis and ensured that the revenue from sale of goods is recognized in the appropriate period. Based on the above procedures performed, we did not identify any exceptions in revenue recognition on sale of goods and services.		
46	Dish TV India Ltd.	31st March, 2019	Entertainment	<p>Impairment assessment of non-current loans given to Dish Lanka Private Limited - Subsidiary Company ("Dish Lanka")</p> <p>As described in Note 49 to the financial statements, gross carrying value of non-current loan recoverable as on 31 March 2019 from the subsidiary of the Company, namely Dish Lanka Private Limited, aggregates ₹ 17,353 lakhs. The subsidiary has been incurring losses in the past and the net worth of the subsidiary is completely eroded, resulting in possible impairment indicators. The management of the Company is in the process of implementing certain changes to the business strategy related to this subsidiary in Sri Lanka. However, considering the uncertainty involved in successful implementation of the new business strategy, and the economic and social conditions in Sri Lanka, the management of the Company has recognised an impairment provision of ₹ 17,353 lakhs as at 31 March 2019 against such loans given to the subsidiary company. Considering the materiality of the amount involved and significant degree of judgement and subjectivity involved in the new business strategy of the management used</p>	<p>Our audit procedures to address this key audit matter included, but were not limited to the following:</p> <p>a) We have performed detailed discussions with the management throughout the year to understand the impairment assessment process, assumptions used and estimates made by management to assess the reasonableness of the recoverable amount and tested the operating effectiveness of controls implemented by management.</p> <p>b) We further inquired from the management of the business plans for the subsidiary company and in absence of any viable business plans available with the management of the Company, we ensured that the recoverable amount has been accurately provided for by the Company</p> <p>c) We also ensured that the other audit procedures performed and evidences examined do not indicate any contrary position to the management's estimate to provide for such investments and loans.</p> <p>d) We referred to the economic conditions prevalent in the jurisdiction in which the subsidiary company operates and understood from the management about the future business plans.</p>	Walker Chandiook & Co. LLP	Standalone

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
				for the impairment evaluation, we have determined impairment of loans as a key audit matter.	e) Keeping in view the above factors, we assessed the appropriateness of impairment provision recognized by the management as at 31 March 2019 and assessed the appropriateness of disclosures made in the financial statements for such impairment losses in accordance with applicable accounting standards		
47	TV18 Broadcast Ltd.	31st March, 2019	Entertainment	Carrying value of non-current investments The Company has non-current investments in unlisted subsidiaries, associate, joint venture and others amounting to ₹ 1,39,086 lakhs as at March 31, 2019 which is 35% of the total assets of the Company. We considered the valuation of such investments to be significant to the audit, because of the materiality of the investments to the separate financial statements of the Company and the sensitivity thereof to the various unobservable valuation inputs, uncertain future cash flows and assumptions that require considerable judgement. The management assesses at least annually the existence of impairment indicators of each unlisted investment. The determination of recoverable amounts of the unlisted investments relies on management's estimates of future cash flows and their judgement with respect to the investees' performance. Accordingly, the impairment of investments was determined to be a key audit matter in our audit of the standalone financial statements. The basis of impairment of unlisted investments is presented in the accounting policies in Note 2.2 to the financial statements.	<p>1. We compared the carrying values of the investment in investees' for which audited financial statements were available with their respective net asset values and earnings for the period.</p> <p>2. We obtained management's evaluation of impairment analysis including fair valuation for investments.</p> <p>3. We evaluated the forecast of future cash flows used by the management in the model to compute the recoverable value/ value in use.</p> <p>4. We involved valuation specialists, to assess the sensitivity in assumptions and methodologies used by the management to determine the recoverable amount of the non-current investments. We reviewed the assessment of forecasts of future cash flows prepared by the management, evaluating the assumptions and comparing the estimates to externally available industry, economic and financial data. We reviewed the revenue growth and other operational assumptions by comparing with historical data and discussion with management.</p> <p>5. We assessed the disclosures made in the financial statements.</p>	S.R. Batliboi & Associates LLP	Standalone



## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
48	PVR Ltd.	31st March, 2019	Entertainment	The Group derives its revenue from sale of movie tickets (Box office revenue), sale of food items and beverages, advertisement income, Income from movie production and distribution, convenience fee.	We assessed and tested the effectiveness of relevant controls over revenue within each of the revenue streams. We inspected the terms of significant sales contracts and assessed whether they were consistent with the basis of revenue recognized by the Group. We agreed the data underlying the calculation of admission revenue to sales records and other systems having assessed the relevant controls relating to the recording of that revenue.	B S R & Co. LLP	Consolidated
49	Inox Leisure Ltd.	31st March, 2019	Entertainment	The Company has disclosed in Note 46 the contingent liabilities as at 31st March, 2019 which includes amount of ₹ 24,165.67 Lakhs in respect of indirect tax matters viz. entertainment tax and service tax. This has been identified as a key audit matter due to magnitude of the amount involved, uncertainty of the matter and the potential financial impact on the financial statements. There is significant judgement required by management in assessing the exposure of each case due to the complexities of the cases and timescales for resolution	To address this key audit matter, our audit procedures included the following: <ul style="list-style-type: none"> <li>• Obtained the summary of all pending indirect tax matters of the Company and assessed the management's position through discussion with the Head of Legal, CEO and CFO, on both the probability of success and the amounts involved.</li> <li>• Inspected external legal opinions (where considered necessary) and other evidence to corroborate management's assessment with respect to these issues.</li> <li>• Assessed the relevant disclosures made within the financial statements to ensure they appropriately reflect the facts and circumstances of the potential exposures and in accordance with IND AS 37. We are satisfied that the treatment in respect of the potential indirect tax matters is appropriate based on our procedures performed and we conclude that the related disclosures are appropriately presented in the financial statements.</li> </ul>	Kulkarni & Co.	Standalone

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
50	Dr. Lal Pathlabs Ltd.	31st March, 2019	Health-care	Revenue recognition – Reliance on information technology and system for controls over pricing master file We identified reliance on information technology and system for controls over pricing master file as a key audit matter due to likelihood of material misstatement in revenue recognition, resulting from unauthorised alterations to the pricing master file, on account of high volume of patient transactions. Refer to note 2.3 and note 27 to the standalone financial statements.	Principal audit procedures performed: <ul style="list-style-type: none"> <li>• Obtained an understanding of and assessed and tested the design, implementation and operating effectiveness of relevant internal controls relating to authorisation of alterations to the pricing master file.</li> <li>• Tested the controls around the access rights to the price masters by involving information technology specialists.</li> <li>• Tested the automated controls for auto pick of the prices defined in the system based on the tests selected.</li> <li>• Tested the reports of changes in the pricing master files for completeness and accuracy by involving information technology specialists and for the selected samples of alterations during the year, verified that the changes were authorised.</li> <li>• Selected samples of the invoices and verified the billed price in respect thereof, to the underlying agreements.</li> </ul>	Deloitte Haskins & Sells LLP	Standalone
51	ICICI Prudential Life Insurance Company Ltd.	31st March, 2019	Insurance companies	The Company's investment portfolio represents substantial portion of the Company's total assets as at March 31, 2019 which are valued in accordance with accounting policy framed as per the extent of the regulatory guidelines. Investment in Non-linked and shareholders' portfolio: All debt securities are valued at amortised cost and investment property is valued in accordance with Company's valuation policy. The listed equity shares, preference shares, liquid mutual fund and Equity Exchange Traded Funds (ETF) investments are valued	Our audit procedures for this area included but were not limited to the following: <ul style="list-style-type: none"> <li>• Tested the design, implementation and operating effectiveness of key controls over the valuation process, including the Company's review and approval of the estimates and assumptions used for the valuation including key authorisation and data input controls;</li> <li>• Assessed appropriateness of the valuation methodologies with reference to Investment Regulations issued by Insurance</li> </ul>	B S R & Co. LLP, Walker Chandiook & Co LLP	Standalone

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
				using quoted prices as per stock exchanges. These investments are tested for impairment in accordance with the Company's impairment policy. Investment in unit linked portfolio: Government securities are valued at prices provided by CRISIL. Other debt securities are valued on a yield to maturity basis, by using spread over the benchmark rate. The listed equity shares, preference shares, liquid mutual fund and ETF investments are valued using quoted prices as per stock exchanges. The valuation of these investments was considered to be one of the areas which required significant auditor attention and was one of the matter of most significance in the standalone financial statements due to the materiality of total value of investments to the financial statements	Regulatory and Development Authority of India ("IRDAI"/ "Authority") and Company's own valuation policy; <ul style="list-style-type: none"> <li>For listed equity shares, preference shares, liquid mutual fund and ETF investments, performed independent price checks using external quoted prices and by agreeing the observable inputs that were used in the Company's valuation techniques to external data; and</li> <li>For other investments, critically evaluated the valuation assessment and resulting conclusions by the Company in order to determine the reasonableness of the valuations recorded. This included an evaluation of the methodology and assumptions used in the valuation with reference to the Company's valuation policy.</li> </ul>		
52	ICICI Lombard General Insurance Company Ltd.	31st March, 2019	Insurance companies	Crop insurance premium is accounted based on management estimates that are progressively actualised on receipt of information. Further the coverage data is based on information received / updated in the Software system maintained under the schemes which may have backlogs / reconciliation issues / duplicate information. Further, the corrections to area covered under insurance and consequent premium adjustments are carried out progressively based on receipt of information which may be after the policy period ends. There is a risk of under/over estimation of revenue due to error or management bias.	We reviewed the process adopted for policy booking for consistency in approach between accounting periods. Our tests included: <ul style="list-style-type: none"> <li>Obtaining confirmation from concerned controlling function of the company on information received, if any, pending accounting</li> <li>Carrying out substantive tests on income recognition from past data, where available.</li> <li>Verification of various reconciliations carried out with the government portal system and validating reconciling items</li> <li>Discussing with senior management and obtaining their confirmations on booking of policies where information has been received</li> </ul>	Chaturvedi & Co.	Standalone

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					<ul style="list-style-type: none"> <li>Studying the impact of information under processing and ensuring financial statements are adjusted for material impacts. Conclusion: Results of our tests did not indicate any material deviations.</li> </ul>		
53	JSW Steel Ltd.	31st March, 2019	Iron & Steel	<p>We identified the accuracy and completeness of disclosure of related party transactions as set out in respective notes to the standalone IND AS financial statements as a key audit matter due to:</p> <ul style="list-style-type: none"> <li>the significance of transactions with related parties during the year ended March 31, 2019.</li> <li>Related party transactions are subject to the compliance requirement under the Companies Act 2013 and SEBI (LODR) 2015.</li> </ul>	<p>Our procedures in relation to the disclosure of related party transactions included:</p> <ul style="list-style-type: none"> <li>Obtaining an understanding of the Company's policies and procedures in respect of the capturing of related party transactions and how management ensures all transactions and balances with related parties have been disclosed in the standalone IND AS financial statements.</li> <li>Obtaining an understanding of the Company's policies and procedures in respect of evaluating arms-length pricing and approval process by the audit committee and the board of directors.</li> <li>Agreeing the amounts disclosed to underlying documentation and reading relevant agreements, evaluation of arms-length, on a sample basis, as part of our evaluation of the disclosure.</li> <li>Assessing management evaluation of compliance with the provisions of Section 177 and Section 188 of the companies Act 2013 and SEBI (LODR) 2015.</li> <li>Evaluating the disclosures through reading of statutory information, books and records and other documents obtained during the course of our audit.</li> </ul>	S R B C & Co. LLP	Standalone

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
54	Steel Authority Of India Ltd.	31st March, 2019	Iron & Steel	The Company is in the process of executing various projects like installation and expansion of mills, facilities, etc. These projects take a substantial period of time to get ready for intended use. Due to the materiality in the context of the balance sheet of the Company and the level of judgements and estimates required, we consider this to be a key audit matter.	We performed an understanding and evaluation of system of internal control over the capital work-in-progress, with reference to identification and testing of key controls. We assessed the progress of the projects and the intention of the management to carry forward and bring the asset to its state of intended use.	Singhi & Co.	Standalone
55	Tata Steel Ltd.	31st March, 2019	Iron & Steel	<p>[Refer to Note 2 (c) to the Standalone Financial Statements</p> <ul style="list-style-type: none"> <li>– “Use of estimates and critical accounting judgements</li> <li>– Impairment and fair value measurements of financial instruments”, Note 2 (m) to the Standalone Financial Statements</li> <li>– “Investments in subsidiaries, associates and joint ventures”, Note 2(n)(l) to the Standalone Financial Statements</li> <li>– “Financial assets”, Note 6 to the Standalone Financial Statements</li> <li>– “Investments in subsidiaries, associates and joint ventures”, Note 7 to the Standalone Financial Statements</li> <li>– “Investments” and Note 39 (b) to the Standalone Financial Statements</li> <li>– “Fair value hierarchy”]</li> </ul> <p>The Company has equity investments in various subsidiaries, associates, joint ventures and other companies. It also has made investments in preference shares in certain subsidiaries/associates and debentures in a joint venture. The Company accounts for equity investments in subsidiaries associates and joint ventures at cost (subject to impairment assessment) and other investments at fair value. For,</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Company’s key controls over the impairment assessment and fair valuation of material investments.</li> <li>• We evaluated the Company’s process regarding impairment assessment and fair valuation by involving auditor’s valuation experts to assist in assessing the appropriateness of the valuation model including the independent assessment of the underlying assumptions relating to discount rate, terminal value etc.</li> <li>• We assessed the carrying value/fair value calculations of all individually material investments, where applicable, to determine whether the valuations performed by the Company were within an acceptable range determined by us and the auditor’s valuation experts.</li> <li>• We evaluated the cash flow forecasts (with underlying economic growth rate) by comparing them to the approved budgets and our understanding of the internal and external factors.</li> <li>• We checked the mathematical accuracy of the impairment model and agreed relevant data back to the latest budgets, actual past</li> </ul>	Price Waterhouse & Co. Chartered Accountants LLP	Standalone

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				<p>investments carried at cost where an indication of impairment exists, the carrying value of investment is assessed for impairment and where applicable an impairment provision is recognised, if required, to its recoverable amount. For investments carried at fair values, a fair valuation is done at the year-end as required by IND AS 109. In case of certain investments, cost is considered as an appropriate estimate of fair value since there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range as permitted under IND AS 109. The accounting for investments is a Key Audit Matter as the determination of recoverable value for impairment assessment/fair valuation involves significant management judgement. The impairment assessment and fair valuation for such investments have been done by the management in accordance with IND AS 36 and IND AS 113 respectively. The key inputs and judgements involved in the impairment/fair valuation assessment of unquoted investments include:</p> <ul style="list-style-type: none"> <li>• Forecast cash flows including assumptions on growth rates</li> <li>• Discount rates</li> <li>• Terminal growth rate economic and entity specific factors are incorporated in valuation used in the impairment assessment.</li> </ul>	<p>results and other supporting documents.</p> <ul style="list-style-type: none"> <li>• We assessed the Company's sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment or material change in fair valuation.</li> <li>• We discussed with the component auditors of certain entities to develop an understanding of the operating performance and outlook used in their own valuation model and to assess consistency with the assumptions used in the model.</li> <li>• We had discussions with management to obtain an understanding of the relevant factors in respect of certain investments carried at fair value where a wide range of fair values were possible due to various factors such as absence of recent observable transactions, restrictions on transfer of shares, existence of multiple valuation techniques, investee's varied nature of portfolio of investments for which significant estimates/judgements are required to arrive at fair value.</li> <li>• We evaluated the adequacy of the disclosures made in the Standalone Financial Statements. Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment in relation to the carrying value of equity investments in subsidiaries, associates and joint ventures and fair value of other investments. The Board of Directors is also responsible for overseeing the Company's financial reporting process</li> </ul>		

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56	Jindal Stainless (Hisar) Ltd.	31st March, 2019	Iron & Steel	<p>Inventory:</p> <p>Determination of net realizable value of inventory at the year ended March 31, 2019, the Company has inventory with the carrying value ₹ 1,310.65 Crores. The inventory is valued at the lower of cost and net realizable value. We considered the value of the inventory of as a key audit matter given the relative size of the balance in the financial statements and significant judgement involved in the consideration of factors in determination of selling prices such as fluctuation of raw materials prices in the international market and in determination of net realizable value</p>	<p>We understood and tested the design and operating effectiveness of controls as established by the management in determination of net realizable value of inventory. Assessing the appropriateness of Company's accounting policy for valuation of stock-in- trade and compliance of the policy with the requirements of the prevailing accounting standards. We considered various factors including the actual selling price prevailing around and subsequent to the year-end. Compared the cost of the finished goods with the estimated net realizable value and checked if the finished goods were recorded at net realizable value where the cost was higher than the net realizable value. For the purpose of determination of cost, the Company has considered the prevailing market situation. Further, for the purpose of determination of physical quantity of the inventory as at the year end, the Company has appointed external agency to conduct physical verification of the same. We have relied upon their report. Based on the above procedures performed, the management's determination of the net realizable value of the inventory as at the year end and comparison with cost for valuation of inventory is considered to be reasonable.</p>	Lodha & Co., S.S Kothari Mehta & Co.	Standalone

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Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
57	First source Solutions Ltd.	31st March, 2019	IT Consulting & Software	<p>Revenue recognition and measurement in respect of un-invoiced amounts</p> <p>The Company, in its contract with customers, promises to transfer distinct services to its customers which may be rendered in the form of customer management, transaction processing and debt collection services including revenue cycle management in the healthcare industry. The recognition of revenue is on the basis of contractual terms of agreed unit price, time and material, contingency basis and variable consideration. At each reporting date, revenue is accrued for work performed that may not have been invoiced. Identifying whether the Company's performance have resulted in a billable service that is collectable where the service deliveries have not been acknowledged by customers as of the reporting date involves a fair amount of judgment. Recognition of revenue before acknowledgment of receipt of services by customer could lead to an over or understatement of revenue and profit, whether intentionally or in error.</p>	<p>Principal audit procedures performed</p> <p>a) We gained an understanding of the Company's processes in collating the evidence supporting delivery of services for each disaggregated type of revenue. We also obtained an understanding of the design of key controls for quantifying units of services that would be invoiced and the application of appropriate prices for each of such services.</p> <p>b) We tested the design and operating effectiveness of management's key controls in collating the units of services delivered and in the application of accurate prices for each of such services for a sample of the uninvoiced revenue entries, which included testing of access and change management controls exercised in respect of related information systems.</p> <p>c) We have tested a sample of uninvoiced revenue entries with reference to the reports from the information system that record the inputs relating to the services delivered to confirm the units of services delivered and contractual rates for the application of appropriate price for each of services. We also tested the adjustments on account of volume discounts and committed service levels of performance. With regard to incentives, our tests were focused to ensure that accruals were restricted to only those items where contingencies were minimal.</p> <p>d) We have performed substantive analytical procedures to evaluate the reasonableness</p>	Deloitte Haskins & Sells LLP	Standalone



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					<p>of uninvoiced revenues recognised. Un-invoiced revenues from fixed fee based service contracts were not significant resulting in lower risk relating to cut off and accuracy. Therefore, we focused our attention on time and unit priced based service contracts in performing substantive analytical procedures. These procedures involved developing sufficiently precise expectations using a plausible and predictable relationship among appropriately disaggregated data.</p> <p>e) We also extended our testing up to the date of approval of financial statements by the Board of Directors of the Company to verify adjustments, if any, that may have been necessary upon receipt of approvals from customers for services delivered prior to the reporting date and / or collections against those.</p> <p>f) We have reviewed the delivery and collection history of customers against whose contracts uninvoiced revenue is recognized.</p> <p>g) We tested cut-offs for revenue recognized against un-invoiced amounts by matching the revenue accrual against accruals for corresponding cost.</p>		
58	Oracle Financial Services Software Ltd.	31st March, 2019	IT Consulting & Software	Transactions with Related Parties: A significant part of Company's revenue relates to transactions with related parties. In addition to revenue, Company also enters into other transactions with its related parties. The Company has with effect from April 1, 2018, amended its commercial arrangements with its subsidiary companies without modifying the substance of the arrangements	<p>a) Obtained an understanding of the process for identifying related party transactions, performed a walkthrough and evaluated the design of controls.</p> <p>b) Verified that the transactions are approved in accordance with internal procedures and the applicable regulations to the Company.</p> <p>c) Tested on a sample basis the arrangements between the related</p>	Mukund M Chitale & Co.	Standalone

## Key Audit Matters

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				and functions undertaken by the Company and its subsidiary companies. Refer to note 32 and 42 of the Standalone IND AS financial statements.	<p>parties along with supporting documents to evaluate the management's assertions that the transactions were at arm's length and in the ordinary course of business.</p> <p>d) Evaluated and tested on a sample basis the rights and obligations of the related parties and assessed whether the transactions were recorded appropriately and whether the relationships and transactions with related parties have been disclosed in accordance with IND AS 24 "Related Party Disclosures".</p>		
59	Red-ington (India) Ltd.	31st March, 2019	IT Consulting & Software	<p>Supplier rebates The Company is entitled to price support from the suppliers in the form of rebates (also referred to as backend income). Given the varied types of rebate schemes, determination of whether the Company is entitled to such rebates and if so, the quantum of rebates involves estimation and judgements to be applied by the management. In view of the above, this is a significant area of focus in the audit. See note 2(d)(v) to the standalone financial statements.</p>	<p>In view of the significance of the matter, the following audit procedures were performed by us:</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Company's key internal controls over supplier rebates</li> <li>• Selecting samples and verifying contractual arrangements and testing the underlying documents such as credit notes received to ensure the recording is in the correct period</li> <li>• Verifying whether there are any changes in the policy and business process relating to supplier rebates.</li> </ul>	B S R & Co. LLP	Standalone

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
60	Wipro Ltd.	31st March, 2019	IT Consulting & Software	<p>Estimated effort is a critical estimate to determine revenues and liabilities for onerous obligations. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts incurred till date and efforts required to complete the remaining contract performance obligations. Refer Notes 3 and 20 to the Standalone Estimated effort is a critical estimate</p>	<p>Principal Audit Procedures Our audit approach was a combination of test of internal controls and substantive procedures which included the following, among others:</p> <ul style="list-style-type: none"> <li>• Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations.</li> <li>• Tested the access and application controls pertaining to time recording and allocation systems which prevents unauthorised changes to recording of efforts incurred.</li> <li>• Selected a sample of contracts and through inspection of Principal Audit Procedures effectiveness of the internal controls relating to efforts incurred and estimated.</li> <li>• Selected a sample of contracts and performed a retrospective review of completed efforts and activities with the planned efforts and activities to identify significant variations and verified whether those variations have been considered in estimating the remaining efforts to complete the contract.</li> <li>• Reviewed a sample of contracts with unbilled revenues to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations.</li> <li>• Performed analytical procedures and test of details for reasonableness of incurred and estimated efforts.</li> </ul>	Deloitte Haskins & Sells LLP	Standalone

## Key Audit Matters

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61	Infi-beam Avenues Ltd.	31st March, 2019	IT Consulting & Software	Investigation in relating to certain matters such as merger & acquisition & other financial related matters. During the limited review of first quarter, based on third party information received, the Joint statutory auditor M/s. S R B C & Co., LLP requested management to perform independent investigation in relation to certain matters such as merger and acquisition and other financial related matters. The management decided to carry out investigation through independent agency and appointed independent chartered accountant firm to carry out the investigation in respect of the merger and acquisition and other financial related matters. Based on report of the independent chartered accountant, management concluded that there is no impact on the financial results of the current or the previous periods and the same are not required to be restated.	<p>We reviewed the management's rational of carrying out investigation through an independent firm of Chartered Accountants.</p> <p>We reviewed the scope of work and areas of investigation agreed with the independent chartered accountant firm.</p> <p>We evaluated the competence, capability and objectivity of the firm.</p> <p>We reviewed the report of the firm and procedures performed and conclusion reached by the firm. Based on our procedures, we found management's conclusion to be appropriate and no adverse findings or no adverse observations were found during investigation.</p>	Shah & Taparia, SRBC & Co. LLP	Standalone
62	Larsen & Toubro Infotech Ltd.	31st March, 2019	IT Consulting & Software	<p>Migration to new information systems Key Audit Matter</p> <p>During the year, Information Systems used for managing and recording transactions w.r.t. revenue, HRMS and treasury operations were changed/upgraded. The nature of business operations of the Company/ Group requires a high degree of reliance on the Information Technology systems. The audit approach relies on the effectiveness of automated controls and controls around interface of different systems. In a scenario of migration to new information systems during the year, robustness of IT general and application controls are</p>	<p>We have reviewed the information systems migration process and Information Technology General Controls (ITGC) with the assistance of IT audit specialists, our procedures included:</p> <ul style="list-style-type: none"> <li>• Testing General IT Controls: Testing general IT controls around system access, change management and computer operations within specific applications pertinent to the financial statements. We assessed whether appropriate policies are in place and adhered to through inspection of supporting evidence. Also, assessed the operation of controls over changes or transactions and testing manual compensating controls, such as</li> </ul>	B K Khare & Co.	Standalone

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				critical to ensure that changes to applications and underlying data are made in an appropriate manner. As a part of audit, we need to ensure that the Company/ Group has implemented necessary preventive and detective controls across critical IT applications and infrastructure, which are most relevant from the perspective of financial reporting.	<p>reconciliations between systems and other information sources, through re-performance or inspection.</p> <ul style="list-style-type: none"> <li>• Testing Data Migration: We reviewed the management's processes around systems migration in order to ascertain how controls in existing information systems are mapped into new information systems. We also independently tested completeness, validity and accuracy of transaction and master data migrated to new information system.</li> <li>• Extended scope: Where general IT controls and compensating manual controls were inadequate or ineffective, we performed additional substantive testing, such as using extended sample sizes and performing data analysis to test the integrity of the transactional level data pertinent to the Company's financial statements.</li> </ul>		
63	Tata Consultancy Services Ltd.	31st March, 2019	IT Consulting & Software	<p>The Company inter alia engages in Fixed-price development contracts, where, revenue is recognized using the percentage of completion computed as per the input method based on management's estimate of contract costs (Refer Note 2(d) to the standalone financial statements). We identified revenue recognition of fixed price development contracts as a KAM considering –</p> <ul style="list-style-type: none"> <li>• There is an inherent risk around the accuracy of revenues given, the customised and complex nature of these contracts and significant involvement of IT systems;</li> <li>• Application of revenue recognition accounting standard is complex and involves a</li> </ul>	<p>Our audit procedures on revenue recognized from fixed price development contracts included</p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of the systems, processes and controls implemented by management for recording and calculating revenue and the associated contract assets, unearned and deferred revenue balances.</li> <li>• Involving Information technology ('IT') specialists to assess the design and operating effectiveness of key IT controls over:</li> <li>• IT environment in which the business systems operate, including access controls, program change controls, program development controls and IT operation controls;</li> </ul>	B S R & Co. LLP	Standalone

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				<p>number of key judgments and estimates including estimating the future cost-to-completion of these contracts, which is used to determine the percentage of completion of the relevant performance obligation;</p> <ul style="list-style-type: none"> <li>• These contracts may involve onerous obligations on the Company that require critical estimates to be made by management; and</li> <li>• At year-end a significant amount of work in progress (Contract assets and liabilities) related to these contracts is recognised on the balance sheet.</li> </ul>	<ul style="list-style-type: none"> <li>• Testing the IT controls over the completeness and accuracy of cost and revenue reports generated by the system; and</li> <li>• Testing the access and application controls pertaining to allocation of resources and budgeting systems which prevents the unauthorized changes to recording of costs incurred and controls relating to the estimation of contract costs required to complete the project.</li> <li>• On selected samples of contracts, we tested that the revenue recognized is in accordance with the accounting standard by – <ul style="list-style-type: none"> <li>• Evaluating the identification of performance obligation;</li> <li>• Testing management’s calculation of the estimation of contract cost and onerous obligation, if any. We: <ul style="list-style-type: none"> <li>• Observed that the estimates of cost to complete were reviewed and approved by appropriate levels of management;</li> <li>• Performed a retrospective review of costs incurred with estimated costs to identify significant variations and verify whether those variations have been considered in estimating the remaining costs to complete the contract;</li> <li>• Assessed the appropriateness of work in progress (contract assets) on balance sheet by evaluating the underlying documentation to identify possible delays in achieving milestones which may require change in estimated costs to complete the remaining performance obligations; and</li> <li>• Performed test of details including analytics to determine reasonableness of contract costs.</li> </ul> </li> </ul> </li> </ul>		

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64	Bajaj Finance Ltd.	31st March, 2019	NBFCs & Housing Finance	<p>IND AS 109 requires the Company to recognise impairment loss allowance towards its financial assets (designated at amortised cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of IND AS 109 including:</p> <ul style="list-style-type: none"> <li>- unbiased, probability weighted outcome under various scenarios;</li> <li>- time value of money;</li> <li>- impact arising from forward looking macro-economic factors and;</li> <li>- availability of reasonable and supportable information without undue costs. Applying these principles involves significant estimation in various aspects, such as:                             <ul style="list-style-type: none"> <li>- grouping of borrowers based on homogeneity by using appropriate statistical techniques;</li> <li>- staging of loans and estimation of behavioral life;</li> <li>- determining macro-economic factors impacting credit quality of receivables;</li> <li>- estimation of losses for loan products with no/minimal historical defaults. Considering the significance of such allowance to the overall financial statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter.</li> </ul> </li> </ul>	<p>We read and assessed the Company's accounting policies for impairment of financial assets and their compliance with IND AS 109.</p> <ul style="list-style-type: none"> <li>- We tested the criteria for staging of loans based on their past-due status to check compliance with requirement of IND AS 109. Tested a sample of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3 and vice versa.</li> <li>- We evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and tested the controls around data extraction and validation.</li> <li>- Tested the ECL model, including assumptions and underlying computation.</li> <li>- Assessed the floor/minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults.</li> <li>- Audited disclosures included in the IND AS financial statements in respect of expected credit losses.</li> </ul>	S R B C & Co. LLP	Standalone

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65	LIC Housing Finance Ltd.	31st March, 2019	NBFCs & Housing Finance	As at March 31, 2019, other financial liability in respect of Temporary Book Overdraft amounting to ₹ 6,909.46 crores which are pending to be encashed Refer Note 47 to the Consolidated Financial Statements	Temporary Book Overdraft represents cheques issued towards disbursements to borrowers and cheques issued for payment of expenses but not encashed. We have reviewed the nature of the amounts paid, the sustainability, clearance of cheque after the balance sheet date and the likelihood of clearance within reasonable period.	Chokshi & Chokshi LLP	Consolidated
66	Magma Fincorp Ltd.	31st March, 2019	NBFCs & Housing Finance	<p>Recognition and measurement of impairment on loans and advances involve significant management judgement. With the applicability of IND AS 109, credit loss assessment is now based on expected credit loss (ECL) model. The Group's impairment allowance is derived from estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors. The most significant areas are:</p> <ul style="list-style-type: none"> <li>• Segmentation of loan book;</li> <li>• Loan staging criteria;</li> <li>• Calculation of probability of default / Loss given default;</li> <li>• Consideration of probability weighted scenarios and forward looking macro-economic factors.</li> <li>• Compliance of disclosures with the applicable accounting standards"</li> </ul>	<p>In view of the significance of the matter, the following audit procedures were applied in this area, among others to obtain sufficient appropriate audit evidence: Design / controls</p> <ul style="list-style-type: none"> <li>• Evaluated the appropriateness of the impairment principles based on the requirements of IND AS 109</li> <li>• Assessed the design and implementation of key internal financial controls over loan impairment process used to calculate the impairment charge.</li> <li>• Use of modelling specialist to test the model methodology and reasonableness of assumptions used.</li> <li>• Tested management review controls over measurement of impairment allowances and disclosures in financial statements. Substantives tests</li> <li>• We focused on appropriate application of accounting principles, validating completeness and accuracy of the data and reasonableness of assumptions used in the model.</li> <li>• Test of details over calculation of impairment allowance for assessing the completeness, accuracy and relevance of data.</li> </ul>	B S R & Co. LLP	Consolidated



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					<ul style="list-style-type: none"> <li>• Re-performance of model calculations where possible.</li> <li>• Independent re-consideration of the appropriateness of management's judgments in respect of calculation methodologies, segmentation, economic factors, the period of historical loss rates used and loss emergence periods.</li> </ul>		
67	IDFC Ltd.	31st March, 2019	NBFCs & Housing Finance	<p>The Company has Investments amounting to ₹ 650.08 crore valued on fair value, where no listed price in an active market is available. The corresponding fair value change is recognised in either statement of profit and loss or other comprehensive income in accordance with related Accounting Standard (Ind-AS 109). In measuring these Investments, valuation methods are used based on inputs that are not directly observable from market information and certain other unobservable inputs. The Management has also used the services of an independent professional valuer. Key inputs used in the valuation of above investments are cash flow projections, market multiples and growth rate, terminal rate, discount rate etc. The valuation of these assets is important to our audit as it is highly dependent on estimates (various assumptions and techniques used) which contain assumptions that are not observable in the market. Given the inherent subjectivity in the valuation of the above investments, relative significance of these investments to the financial statements and the nature and extent of audit procedures involved, we determined this to be a key audit matter.</p>	<p>The following procedures were performed by us, to test the valuation of certain types of investments</p> <p>We understood and tested the design and operating effectiveness of the Company's control over the assessment of valuation of investments.</p> <p>We evaluated the independence, competence, capabilities and objectivity of Management's expert.</p> <p>We evaluated together with the auditor's expert the reasonableness of the valuation methodology and underlying assumptions relating to cash flow projections, market multiples and growth rate, discount rate used by the independent professional valuer to estimate the fair value of investments.</p> <p>We validated the source data on sample basis and tested the arithmetical accuracy of the calculation of valuation of investments.</p> <p>We performed sensitivity analysis and evaluating whether any reasonably foreseeable change in assumptions We assessed the adequacy of the disclosures in the financial statements Based on our above audit procedures we consider that the management's assessment of the investment for which no listed price in an active market is available is reasonable.</p>	Price Waterhouse & Co. LLP	Standalone

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68	Power Finance Corporation Ltd.	31st March, 2019	NBFCs & Housing Finance	<p>Credit impairment of financial instruments Credit impairment of financial instruments The most significant areas where we identified greater levels of management Judgement are:</p> <ul style="list-style-type: none"> <li>• Significant Increase in Credit Risk (SICR) – Company has classified SICR based on the indicator defined in IND AS. Selection of any other criteria can materially impact the ECL recognised for certain portfolios.</li> <li>• ECL model – Impairment loss measurement requires use of statistical models to estimate the Probabilities of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). These models are key driver to measure ECL.</li> <li>• Individually assessed Stage 3 carrying value – the carrying value of loans and advances to borrowers may be materially misstated if individual impairments are not appropriately identified and estimated. Company has availed services of Crisil Ltd. to estimate the carrying value of its stage 3 portfolio. The effect of these matters is that, as part of our risk assessment, we determined that the value of ECL has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole.</li> </ul>	<p>Our procedures included: The assessment and calculation of material SICR indicators and criteria.</p> <p>The accuracy of critical data elements input into the system used for computation of PD and LGD.</p> <p>The completeness and accuracy of data flows from source systems into the ECL calculation. Company has availed services of independent expert to estimate the carrying value of its stage 3 portfolio. We have reviewed the carrying value provided by such expert.</p> <p>Our results: We considered the credit impairment charge and provision recognised and the related disclosures to be acceptable.</p>	M.K. Aggarwal & Co.	Consolidated
69	IL&FS Investment Managers Ltd.	31st March, 2019	NBFCs & Housing Finance	<p>We draw attention to Note 33 of the standalone financial statements which indicates that there is material uncertainty relating to the Company's ability to continue as a going concern as major portion of the existing funds being managed/advised are approaching their end of term over the next 12 months, which</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Evaluated management's future business plans for the Company for at-least 12 months from the end of the reporting period.</li> <li>• Compared management's free cash flow forecast with information in revenue contracts, assessed reasonableness of</li> </ul>	B S R & Associates LLP	Standalone

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				is likely to result in significant reduction in the Company's fee revenue thereafter. Management expects that its future income from existing funds being managed/ advised together with liquid assets held by the Company as at 31 March 2019 will be sufficient to at least meet the Company's existing and future obligations arising over the next 12 months. The Board's going concern assessment and conclusion includes the anticipated receipts by allocating seed commitment for new fund raise which is dependent inter alia on Board approvals and outcome of stake sale by IL&FS Board. Refer above paragraph on "Material Uncertainty Related to Going Concern"	forecast for operating expenses for the next 12 months period. <ul style="list-style-type: none"> <li>Compared the revenue, operating costs and capital expenditure included in the prior year's free cash flow forecast with the current year's performance of the Group to assess the accuracy and reliability of management's budget and forecasting processes and considered the nature of any significant differences.</li> <li>Performed sensitivity analysis of the key assumptions adopted in the free cash flow forecast and assessed the impact of changes in the key assumptions on the conclusions reached and whether there were any indicators of management bias.</li> </ul>		
70	Petronet LNG Ltd.	31st March, 2019	Oil & Gas	Impairment testing of Kochi Plant The recoverable value of the property plant and Equipment's capitalized under Kochi plant of the Company are dependent on the operation of Kochi-Mangalore-Bangalore pipeline. The determination of recoverable amount for Kochi Plant is based on the value-in use derived from future free net cash flow based on budgets and the strategy for the coming years and free net cash flows from the terminal period. Significant judgement is required by the Management in determining value-in-use, including discount rate to be applied and cash flow projections based on availability of pipeline, demand of gas etc. Accordingly, the impairment evaluation of Kochi plant is considered to be a key audit matter.	We assessed the Company's process of assessing the impairment requirement for Kochi plant by reviewing the calculation of value-in use (VIU) of Kochi plant and for verification of the same, following tests were performed: <ul style="list-style-type: none"> <li>Considered if the discounted cash flow models used to estimate the recoverable amount of Kochi plant based on VIU were in consistent with Indian Accounting Standard.</li> <li>Considered whether the forecasted cash flows in the impairment model were reasonable.</li> <li>Performed tests of the mathematical accuracy of the impairment model calculations. We found management's assessment that there is no immediate case of impairment of Kochi plant based on value-in use is reasonable.</li> </ul>	T R Chadha & Co. LLP	Consolidated

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71	Biocon Ltd.	31st March, 2019	Pharmaceuticals & Chemicals	<p>The Company is subject to complexities with respect to various tax positions on deductibility of transactions and tax incentives / exemptions, and on cross border transfer pricing arrangements. Judgment is required in assessing the range of possible outcomes for some of these tax matters. Management makes an assessment to determine the outcome of these uncertain tax positions and decides to make an accrual or consider it to be a possible contingent liability.</p> <p>Where the amount of tax liabilities are uncertain, the Company recognizes accruals that reflect Management's best estimate of the outcome based on the facts known in the relevant jurisdiction Accordingly we focused on this area..</p> <p>For further information refer to the Significant accounting policies which includes General accounting principles, Key accounting judgements, estimates and assumptions- Note 2(l) and financial disclosures are disclosed in Tax expense- Note 33 in the Standalone Financial Statements for the year ended March 31, 2019.</p>	<p>For uncertain tax positions, we read and analysed select key correspondences with the tax authorities, reviewed Management's judgment regarding the eventual resolution of matters with various tax authorities, assessment of third-party opinions and the use, of past experience, where available, with the tax authorities in the respective jurisdiction. Additionally we used our own tax specialists' expertise to assess the appropriateness of the key assumptions made by Management.</p>	B S R & Co. LLP	Standalone
72	Godrej Industries Ltd.	31st March, 2019	Pharmaceuticals & Chemicals	<p>Revenue from sale of residential and commercial units represents 23.98 % of the total revenue of the Group. Revenue is recognised upon transfer of control of residential and commercial units to customers for an amount that reflects the consideration which the Group expects to receive in exchange for those units. The trigger for revenue recognition is normally completion of the project or receipt of approvals</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>- Evaluating that the Group's revenue recognition accounting policies are in line with the applicable accounting standards and their application to the key customer contracts including consistent application;</li> <li>- Sales cut-off procedures for determination of revenue in the correct reporting period;</li> </ul>	B S R & Co. LLP	Consolidated

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				<p>on completion from relevant authorities or intimation to the customer of completion, post which the contract becomes non-cancellable by the parties. The Group records revenue over time till the actual possession to the customers or on actual possession to the customers, as determined by the terms of contract with customers. Revenue recognition prior to completion of the project Due to the Group's projects being spread across different regions within the country and the competitive business environment, there is a risk that revenue could be overstated (for example, through premature revenue recognition i.e. recording revenue without receipt of approval from authorities or its intimation to the customers) or understated (for example, through improperly shifting revenues to a later period) in order to present consistent financial results. Since revenue recognition has direct impact on the Group's profitability, the element of management bias is likely to be involved. Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete Revenue recognition involves significant estimates related to measurement of costs to complete for the projects. Revenue from projects is recorded based on management's assessment of the work completed, costs incurred and accrued and the estimate of the balance costs to complete.</p> <p>Due to the inherent nature of the projects and significant judgment involved in the estimate of costs to complete, there is risk of overstatement or understatement of revenue.</p>	<ul style="list-style-type: none"> <li>- Scrutinising all the revenue journals raised throughout the reporting period and comparing details of a sample of these journals, which met certain risk-based criteria, with relevant underlying documentation;</li> <li>- Conducting site visits during the year for selected projects to understand the scope and nature of the projects and to assess the progress of the projects; and</li> <li>- Considered the adequacy of the disclosures in note 2.19 to the consolidated financial statements in respect of the judgments taken in recognising revenue for residential and commercial property units. In addition, we have performed following procedures: Revenue recognition prior to receipt of OC/ similar approval and intimation to the customer;</li> <li>- Discussing and challenging key management judgments in interpreting contractual terms including obtaining in-house legal interpretations;</li> <li>- Testing sample sales of units for projects with the underlying contracts, completion status and proceeds received from customers;</li> <li>- Identified and tested operating effectiveness of key controls around approvals of contracts, milestone billing, intimation of possession letters / intimation of receipt of occupation certificate and controls over collection from customers; and</li> <li>- We have obtained confirmations, on a sample basis, from major customers for selected projects to confirm revenue recognised during the year and, performing alternative</li> </ul>		

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					<p>procedures by comparing details with contracts, collection details and other underlying project related documentation for cases where confirmations are not received. Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete</p> <ul style="list-style-type: none"> <li>- Compared, on a sample basis, revenue transactions recorded during the year with the underlying contracts, progress reports, invoices raised on customers and collections in bank accounts and whether the related revenue had been recognised in accordance with the Group's revenue recognition policies;</li> <li>- Identification and testing operating effectiveness of key controls over recording of actual costs incurred for the projects;</li> <li>- Review of the costs to complete workings, comparing the costs to complete with the budgeted costs and inquiring into reasons for variance; and</li> <li>- Sighting approvals for changes in budgeted costs with the rationale for the changes and assessment of contract costs to determine no revenue nature costs are taken to inventory.</li> </ul>		
73	Solar Industries India Ltd.	31st March, 2019	Pharmaceuticals & Chemicals	<p>Receivables under Package Scheme of Incentives 2007 (PSI)</p> <p>The Company was eligible to claim benefits under Package Scheme of Incentives 2007, for the sales tax paid by eligible industrial unit as per Maharashtra Value Added Tax, 2002.</p> <p>From July 1, 2017, post the implementation of Goods and Service Tax (GST), The Industry, Energy and Labour Department, Government of Maharashtra (Department), issued a notification</p>	<p>Our audit procedures include the following:</p> <p>Read the PSI scheme and evaluated the eligibility of the Company to claim incentives.</p> <p>Read the notification issued by The Industry, Energy and Labour Department, Government of Maharashtra relating to continuation of benefits on SGST paid by eligible Units and evaluated its impact on Company's eligibility of PSI incentive. We evaluated the</p>	Akshay Rathi & Associates AND S R B C & Co. LLP	Standalone

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				<p>dated June 12, 2018, which clarified that Units can continue to claim benefit under PSI Scheme by claiming 100% of State GST (SGST) paid by eligible industrial unit. Accordingly, the Company is accruing incentive @100% of SGST paid by the Company in Maharashtra.</p> <p>Management is yet to file the claim with the department for the incentives under GST period. Total outstanding receivable of PSI incentive as at March 31, 2019 is H82.84 crores.</p> <p>This is a key audit matter as significant judgement is involved to establish the recoverability and the timing of receipt of the above amount.</p>	<p>historical trend of receiving amounts under PSI Scheme as against the claims filed.</p> <p>Read the correspondences with the government department relating to incentive claims filed by the Company.</p>		
74	Tata Chemicals Ltd.	31st March, 2019	Pharmaceuticals & Chemicals	<p>Revenue is measured net of discounts, rebates and incentives earned by customers on the Company's sales. Due to the Company's presence across different marketing regions within the country and the competitive business environment, the estimation of the various types of discounts, rebates and incentives to be recognized based on sales made during the year is material and considered to be judgmental. Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives and rebates. Revenue is recognized when the control of the underlying Revenue is measured net of discounts, rebates and incentives revenue being overstated due to fraud resulting from the pressure on management to achieve performance targets at the reporting period end.</p>	<p>Our audit procedures included: Assessing the appropriateness of the revenue recognition accounting policies, including those relating to discounts, rebates and incentives by comparing with applicable accounting standards. Testing the design, implementation and operating effectiveness of the Company's general IT controls over the Company's systems and manual controls which govern recording of revenue and discounts, rebates and incentives in the general ledger accounting system. Our audit procedures included: testing) by selecting samples of revenue transactions recorded during the year (and before and after the financial year end) by verifying the underlying documents, which included sales invoices/contracts and shipping documents Comparing the historical discounts, rebates and</p>	B S R & Co. LLP	Standalone

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					incentives to current payment trends. We also considered the historical accuracy of the Company's estimates in previous years. Assessing manual journals posted to revenue to identify unusual items. Considered the adequacy of the Company's disclosures in respect of revenue.		
75	Lupin Ltd.	31st March, 2019	Pharmaceuticals & Chemicals	The carrying value of Intangible Assets including IP R&D aggregate to ₹ 6,010.2 million as at 31 March 2019. These assets are evaluated for any indicators of impairment annually. Refer note no. 1B(f) of accounting policies in respect of impairment. Management performs the annual assessment of the intangible assets including IP R&D, at each cash generating unit (CGU) level, to identify any indicators of impairment. The recoverable amount of the CGUs which is based on the higher of the value in use or fair value less costs to sell, has been derived from discounted forecast cash flow models. These models use several key assumptions, including estimates of future sales volumes, prices, operations costs, terminal value growth rates the impact of the expiry of patents on the product and potential product obsolescence and the weighted average cost of capital (discount rate). Considering the inherent uncertainty, complexity and management judgment involved and the significance of the value of the assets, impairment assessment of intangible assets has been considered as a key audit matter.	<ul style="list-style-type: none"> <li>– Testing design, implementation and operating effectiveness of key controls over the impairment review process including the review and approval of forecasts and review of valuation models;</li> <li>– Assessing the valuation methodology used by management and management review control is around making the assessment and testing the mathematical accuracy of the impairment models;</li> <li>– Assessing management's identification of CGUs with reference to the guidance in the applicable accounting standards;</li> <li>– Evaluating the reasonableness of the valuation assumptions, such as discount rates, used by management through reference to external market data;</li> <li>– Challenging the appropriateness of the business assumptions used by management, such as sales growth and the probability of success of new products;</li> <li>– Evaluating past performances where relevant and assessed historical accuracy of the forecast produced by management;</li> <li>– Enquiring and challenging management on the commercial strategy associated with the products to ensure that it was consistent with the assumptions used in estimating future cash flows;</li> </ul>	B S R & Co. LLP	Standalone



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					<ul style="list-style-type: none"> <li>– Considering whether events or transactions that occurred after the balance sheet date but before the reporting date affect the conclusions reached on the carrying values of the assets and associated disclosures; and</li> <li>– Performing sensitivity analysis of key assumptions, including future revenue growth rates, costs and the discount rate applied in the valuation models</li> </ul>		
76	DLF Ltd.	31st March, 2019	Realty	<p>Revenue recognition for real estate projects (as described in note 60 of the consolidated IND AS financial statements) The Group has adopted IND AS 115 - Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after 1 April 2018. The Group has applied the modified retrospective approach to contracts that were not completed as at 1 April 2018 and has given impact of IND AS 115 application by debit to retained earnings as at the said date by ₹ 554,279.48 lakhs (net of tax). The application of IND AS 115 has impacted the Group's accounting for recognition of revenue from real estate projects, which is now being recognised at a point in time upon the Group satisfying its performance obligation and the customer obtaining control of the underlying asset. Considering application of IND AS 115 involves significant judgment in identifying performance obligations and determining when 'control' of the asset underlying the performance obligation is transferred to the customer and the transition method to be applied, the same has been considered as key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• We have read the Group's revenue recognition accounting policies and assessed compliance of the policies with IND AS 115.</li> <li>• We tested the computation of the adjustment to retained earnings balance as at 1 April 2018 in view of adoption of IND AS 115 as per the modified retrospective method.</li> <li>• We obtained and understood revenue recognition process including identification of performance obligations and determination of transfer of control of the asset underlying the performance obligation to the customer.</li> <li>• We have read the legal opinion obtained by the Group to determine the point in time at which the control is transferred in accordance with the underlying agreements.</li> <li>• We tested, revenue related transactions with the underlying customer contracts, sale deed and handover documents, evidencing the transfer of control of the asset to the customer based on which revenue is recognised.</li> <li>• We assessed the revenue-related disclosures included in Note 60 to the financial statements.</li> </ul>	S.R. Bal-lyboe & Co. LLP	Consolidated

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
77	India bulls Real Estate Ltd.	31st March, 2019	Realty	<p>Assessing the carrying value of inventory The accounting policies for Inventories are set out in Note 5.4 to the consolidated financial statements. Inventories of the Group comprise of real estate properties (including land) are disclosed under note 16. Impairment assessment of inventory is considered as a significant risk as there is a risk that recoverability of the carrying value of the inventory could not be established, and potential impairment charge might be required to be recorded in the consolidated financial statements. Management's assessment of the recoverable amounts is a judgmental process which requires the estimation of the net realisable value, which takes into account the valuations of the properties held and cash flow projections of real estate properties under development. Due to their materiality in the context of the Group's financial statements as a whole and significant degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, this is considered to be the area which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.</p>	<p>Our procedures in relation to the valuation of inventory held by the group included, but not limited to the followings :</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing and the management process of determining the Net Realisable Value (NRV);</li> <li>• Enquired of the management and inspected the internal controls related to inventory valuation along with the process followed to recover/adjust these and assessed whether impairment is required;</li> <li>• For real estate properties under development, obtained and assessed the management evaluation of the NRV. We also assessed the management's valuation methodology applied in determining the recoverable amount and tested the underlying assumptions used by the management in arriving at those projections;</li> <li>• We challenged the management on the underlying assumptions used for the cash flow projections, considering evidence available to support these assumptions and our understanding of the business;</li> <li>• Where the management involved specialists to perform valuations, evaluated the objectivity and independence of those specialists;</li> </ul>	Walker Chandiook & Co. LLP	Consolidated

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
					<ul style="list-style-type: none"> <li>• For land parcels, obtained and verified the valuation of land parcels as per the government prescribed circle rates, wherever necessary;</li> <li>• Tested the arithmetical accuracy of the cash flow projections; and</li> <li>• We assessed the appropriateness and adequacy of the disclosures made by the management for the impairment losses recognized in accordance with applicable accounting standards.</li> </ul>		
78	The Phoenix Mills Ltd.	31st March, 2019	Realty	Company owns Malls at various locations and earns revenue by giving units on license basis. Revenue comprises of license fees, variable license fees, service charges, parking fees etc. These are accounted as revenue as per the revenue recognition policy described in significant account policies. Considering license contracts with numerous customers having varied terms, we have identified recording of revenue as Key Audit Matter.	<p>Obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Company's key internal controls over revenue recognition process.</p> <p>Testing a sample of contracts and testing the revenues recognised with respect thereto by agreeing information back to contract terms.</p> <p>Testing the controls over the licensee's sale data collated for the purpose of recognising variable revenue on sample basis.</p> <p>Assessing the adequacy of company's disclosure with respect to revenue recognised.</p>	DTS & Associates	Consolidated

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
79	Bata India Ltd.	31st March, 2019	Retail & FMCG	<p>The Company's major part of inventory comprises finished goods which are geographically spread across multiple locations such as retail stores, depots and factories. These inventories are counted by the Company on a cyclical basis and accordingly provision for obsolescence of inventories is assessed and recognized by the management in the financial statements based on management estimation as at end of reporting period. The Company manufactures and sells goods which may be subject to changing consumer demands and fashion trends. Significant degree of judgment is thereby required to assess the net realizable value of the inventories and appropriate level of provisioning for items which may be ultimately sold below cost. Such judgment include management's expectations for future sale volumes, inventory liquidation plans and future selling prices less cost to sell. Based on above, existence and valuation of inventories has been identified as a key audit matter.</p>	<p>In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <p>A) Obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls relating to physical verification of inventories by the management and the internal auditors of the Company, identification of obsolete and slow moving inventories, inventories with low or negative gross margins, monitoring of inventory ageing and assessment of provisioning and of net realizable values.</p> <p>B) Assessing whether items in the inventory ageing report prepared by the management were classified within the appropriate ageing bracket;</p> <p>C) Performing a review of the provisions for inventories by examining movements in the balance during the current year and new provisions made for inventory balances as at 31 March 2018 during the current year to assess the historical accuracy of management's inventory provisioning process;</p> <p>D) Assessing, on a sample basis, the net realizable value of slow-moving and obsolete inventories and inventories with low or negative gross margins as calculated by management with reference to prices achieved and costs to sell after the financial year end.</p>	B S R & Co. LLP	Standalone

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
					E) Attending cyclical inventory counts at selected stores, factories, retail distribution centers and wholesale distribution centers twice during the reporting period and evaluating the results of the cycle counts performed by the management throughout the year to assess management's estimation of the provisioning.		
80	Aditya Birla Fashion And Retail Ltd.	31st March, 2019	Retail & FMCG	Provision for discount and sales returns Revenue from contracts with customer is recognized upon transfer of control of promised goods and is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates, based on contractually defined terms. In some cases, discounts estimated will be determined on sale of goods by the customers. Also, in certain cases the Company has contracts with customers which entitles them to right of return. At year end, amount of returns, and discounts that have been incurred and not yet settled with the customer are estimated and accrued. Estimating the amount of accrual at year-end is considered a key audit matter due to the judgements required to be made by management.	Our audit procedures to test the provision for discount and sales returns included the following: Read and understood the Company's accounting policy for recognition and measurement of net sales revenue, including the policy for recording returns, and discounts by assessing compliance with IND AS 115 'Revenue from Contracts with Customers'. Tested the estimate of returns and discounts related accruals with underlying documentation such as management approved norms, customer agreements, sales data and customer reconciliations, as applicable. Tested design and operating effectiveness of key controls for calculating, reviewing and approving returns and discounts. Analysed returns and discounts and held discussions with management to understand changes in provisioning norms/ additional provisions made based on management's assessment of market conditions. We assessed the Company's disclosures concerning this in Note 38 on significant accounting judgments, estimates and assumptions.	S R B C & Co. LLP	Standalone

## Key Audit Matters

Sr. No	Name of Company	Period/Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
81	Dabur India Ltd.	31st March, 2019	Retail & FMCG	<p>The Company's investment portfolio represents a significant portion of the Company's total assets, which primarily consists of: i. Bonds; ii. Non-convertible debentures; iii. Commercial papers; iv. Certificate of deposits; and v. Fixed deposits. The aforementioned instruments are valued at amortized cost or fair value through other comprehensive income (FVOCI) depending upon the nature as summarized below:</p> <p>1. Instrument valued at amortized cost: a) Non-convertible debentures; b) Commercial papers; c) Certificate of deposits; and d) Fixed deposits</p> <p>2. Instrument valued at fair value through other comprehensive income ('FVOCI'): a) Bonds. This is considered to be a significant area in view of the materiality of amounts involved, judgements involved in determining of impairment/ recoverability of instruments measured at amortized cost which includes assessment of market data/ conditions and financial indicators of the investee and judgements in selecting the valuation basis and the complexities involved in the valuation of instruments carried at FVOCI which includes assessment of the available trading yield of relevant instruments.</p>	<p>a) Assessed the appropriateness of the relevant accounting policies of the Company, including those relating to recognition and measurement of financial instrument by comparing with the applicable accounting standards;</p> <p>b) For instrument valued at fair value: i. Assessed the availability of quoted prices in liquid markets; ii. Assessed whether the valuation process is appropriately designed and captures relevant valuation inputs; iii. Performed testing of the inputs/assumptions used in the valuation; and iv. Assessed pricing model methodologies and assumptions against industry practice and valuation guidelines</p> <p>c) For instrument valued at amortized cost: Assessed the instrument for impairment by evaluating if there is any significant increase in credit risk, which mainly involves:</p> <p>i. Evaluating the credit rating of individual instrument, where relevant, to assess if there is any rating downgrade; ii. Evaluating the regularity of the interest payment and principal repayment as per agreed plan/term of issuance of instrument, where applicable; and iii. Obtained the valuations of instruments, where required;</p> <p>d) Assessed the appropriateness of the Company's description of the accounting policy and disclosures related to investments and whether these are adequately presented in the standalone financial statements.</p>	Walker Chandio & Co. LLP	Standalone

## Key Audit Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
82	Vodafone Idea Ltd.	31st March, 2019	Telecom Services	Accounting for business combination and integration cost Effective August 31, 2018, Vodafone India limited and Vodafone Mobile Services Limited, merged into the Company. The Company accounted for the merger under pooling of interest method. We have determined this to be a key audit matter in view of magnitude of the transaction, complexity involved in selection of accounting policy for merger, significant management judgment involved with respect to alignment of accounting policies, estimates and accounting for integration costs post-merger.	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• We evaluated the appropriateness of 'Pooling of interest' method of accounting adopted by the management to account for the merger.</li> <li>• We corroborated management's alignment of accounting policies and estimates by comparing the significant accounting policies and estimates of erstwhile Vodafone India Limited and comparing with the Company's accounting policies and estimates.</li> <li>• We read the merger arrangements/scheme and focused on accounting for non-routine transaction, estimates and judgements in respect of the recognition and measurement of guarantees, indemnities etc.</li> <li>• We performed specific procedures to validate the carrying amount of assets and liabilities merged on August 31, 2018.</li> <li>• We validated the appropriateness of estimates used in recognition and measurement of integration cost through enquiries and testing of supporting documents.</li> <li>• We inspected the disclosures in respect of this transaction including those disclosures related to significant accounting judgements and estimates.</li> </ul>	S.R. Batliboi & Associates LLP	Standalone

## Key Audit Matters

Sr. No	Name of Company	Period/Year ended	Industry Type	Reporting	How Was the Key Audit Matter Addressed in the Audit	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
83	Wel-spun India Ltd.	31st March, 2019	Textiles	<p>Under the Policy, the Company is eligible to claim government grant in the form of reimbursement of State Goods and Service Tax (SGST) collected on end product sold /intermediate product to the extent of the eligible capital investments in plant and machinery for the specified period. As disclosed in note 2.23(vii) to the standalone financial statements, for measurement of such government grants, significant estimates and judgements are made by the management. The estimates, inputs and judgements used by the management includes:</p> <ul style="list-style-type: none"> <li>• Future sales growth rate;</li> <li>• Mix of inter and intra state purchases and Corresponding input credit;</li> <li>• Input tax credit utilization;</li> <li>• SGST rates on the products;</li> <li>• Period of eligibility. During the current year the authorities have issued the modalities to claim reimbursement of SGST under the Policy, which has been factored by the management for computation of government grant. Considering the above, this is determined as key audit matter</li> </ul>	<p>We performed following procedures, among others:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding, evaluated the design and tested operating effectiveness of the controls related to the government grants, including the controls in respect of measurement of the grants.</li> <li>• We evaluated the forecast in respect of sales and purchase used by the management in computation of government grant with respect to reimbursement of SGST ('computation').</li> <li>• We compared the forecast in respect to sales and purchase to the business plan and previous forecast to the actual results.</li> <li>• We compared the inputs used in the computation of government grant to external data, including the modalities to claim the reimbursement of SGST under the Policy.</li> <li>• We focused our analysis on management assumptions in respect of: <ul style="list-style-type: none"> <li>• Future sales growth rate;</li> <li>• Mix of inter and intra state purchases and Corresponding input credit, and</li> <li>• Input tax credit utilization,</li> </ul> </li> <li>• We evaluated the arithmetical accuracy of the computation of government grant.</li> </ul>	Price Waterhouse Chartered Accountants LLP	Standalone



## Emphasis of Matter

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
1	Lakshmi Vilas Bank Ltd.	31st March, 2019	Banks	<p>We conducted our audit in accordance with Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements and that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with this requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion as under:</p> <p>During the previous financial year, the Bank had adjusted loans aggregating to ₹ 794 crores extended to RHC Holding Private Limited and Ranchem Private Limited against deposits of Religare Finvest Limited duly supported by legal opinion. The said adjustment has been contested by the Religare Finvest Limited and a suit has been filed against the Bank in May 2018 before the Honourable High Court of Delhi. The matter still remains sub-judice, and hence we are unable to comment on the impact on the financial statements and legal/ regulatory consequences. The audit opinion on the financial statements for the year ended 31st March 2018 was also qualified in respect of this matter.</p>	P. Chandrasekar LLP	Standalone
2	Yes Bank Ltd.	31st March, 2019	Banks	<p>The Bank became aware in September 2018 through communications from stock exchanges of an anonymous whistle-blower complain alleging irregularities in the Bank's operations, potential conflicts of interests in relation to the former MD and CEO and allegations of incorrect NPA classification. The Bank conducted an internal enquiry of these allegations, which was carried out by management and supervised by the Board of Directors. The enquiry resulted in a report that was reviewed by the Board in November 2018. Based on further inputs and deliberations in December 2018, the Audit Committee of the Bank engaged an external firm to independently examine the matter. The Bank, at the direction of the Audit.</p>	B S R & Co. LLP	Standalone

## Emphasis of Matter

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
				Committee and with the assistance of this external firm, is continuing to analyze the allegations in the whistle-blower complaint and work is currently ongoing. Based on work done and findings till date, the Bank has not identified any material financial statement implications. The Bank will consider the implications of ongoing work in the next financial year as the examination of this matter is completed		
3	Jaiprakash Associates Ltd.	31st March, 2019	Construction & Engineering	<p>We draw attention to the following matters:</p> <p>1. a. The Competition Commission of India vide its Order dated 31st August, 2016 held various cement manufacturers liable for alleged contravention of certain provisions of the Competition Act, 2002 during F.Y. 2009-10 &amp; 2010-11 and imposed a penalty of ₹ 1,323.60 Crores on the Holding Company. The Holding Company had filed an Appeal against the said Order which was heard on various dates by Hon'ble National Company Law Appellate Tribunal (NCLAT). NCLAT vide its Order dated 25th July 2018 has rejected the appeals of all the cement manufacturers including that of the Holding Company without interfering in the penalty, though, if calculated on the basis of profits earned by the Cement business, the same would have been ₹ 237.70 Crores only as against the penalty of ₹ 1,323.60 Crores calculated on the profits for all business segments of the Holding Company. The Holding Company has filed appeal with the Hon'ble Supreme Court and the case has since been admitted and the Order of NCLAT has been stayed with the direction that interim order passed earlier by NCLAT in these cases will continue in the meantime.</p> <p>b. The Competition Commission of India vide its other order dated 19th January, 2017 held various cement manufacturers liable for alleged contravention of certain provisions of the Competition Act, 2002 in the State of Haryana during F.Y. 2012-13 to F.Y. 2014-15 and imposed a penalty of ₹ 38.02 Crores on the Holding Company. The Holding Company had filed an appeal against the Order before NCLAT which has stayed the operation of impugned order and further proceedings are progressing in the matter. Based on the advice of the Holding Company's counsels, the Holding Company believes that it has reasons to succeed in appeal in the above cases. Hence no provision is considered necessary in the consolidated financial statements of the Group.</p>	Rajendra K Goel & Co.	Consolidated

## Emphasis of Matter

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
4	Adani Enterprises Ltd.	31st March, 2019	Diversified	The fact that investment in some of the subsidiaries and jointly controlled entities (refer note 38 and 43(b)) were disposed off/ demerged during the year. Financials in respect of these subsidiaries and jointly controlled entities are considered till the date of disposal/ demerger.	Shah Dhandharia & Co.	Consolidated
5	Quess Corp Ltd.	31st March, 2019	Diversified	We draw attention to Note 53 of the standalone financial statements, which describes the effects on the collectability arising from uncertainty on the outcome of insolvency resolution process relating to certain trade receivables recoverable from a related party. We draw attention to Note 40 of the standalone financial statements, which describes the impracticability of applying the judgement of Supreme Court retrospectively and reliably measure the contingencies related to amounts payable if any on the potential demands on Provident Fund. Our opinion is not modified in respect of this matter.	Deloitte Haskins & Sells LLP	Standalone
6	IDFC Ltd.	31st March, 2019	NBFCs & Housing Finance	We draw your attention to Note 45(c) to the consolidated financial statements regarding payment of interim dividend by IDFC Financial Holding Company (a wholly owned subsidiary) to the Holding Company to the extent of INR 120.99 crore during the year, which is not in accordance with the provisions of section 123 of the Act.	Price Waterhouse & Co. LLP	Consolidated
7	Vodafone Idea Ltd.	31st March, 2019	Telecom Services	We draw your attention to note 46(A)(i) of the consolidated IND AS financial statements which describes the uncertainties related to the legal outcome in respect of the Department of Telecommunications (DoT) demand notices for one time spectrum charges. Our report is not qualified in respect of this matter.	S.R. Batliboi & Associates LLP	Consolidated
8	Godrej Industries Ltd.	31st March, 2019	Pharmaceuticals & Chemicals	We draw attention to Note 47 to the standalone financial statements, relating to remuneration paid to two Directors during the year ended 31 March 2019, which is in excess of the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 by ₹ 7.96 crores, and is subject to the approval of the shareholders. Our opinion is not modified in respect of this matter	B S R & Co. LLP	Standalone

## Emphasis of Matter

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
9	Tech Mahindra Ltd.	31st March, 2019	IT Consulting & Software	We draw attention to note 35 (B) of the standalone financial statements, which describes in detail, certain matters relating to erstwhile Satyam Computer Services Limited ("erstwhile Satyam"), amalgamated with the Company with effect from 1 April 2011. The Company's management on the basis of current legal status and external legal opinion, has concluded that claims made by 37 companies in the City Civil Court, for alleged advances amounting to ₹ 12,304 million, to erstwhile Satyam and presented separately under 'Suspense account (net)' will not sustain on ultimate resolution by the Court as explained in the aforesaid note.	B S R & Co. LLP	Standalone
10	Steel Authority Of India Ltd.	31st March, 2019	Iron & Steel	We draw attention to the following I. Pending negotiations with National Joint Committee for the Steel Industry (NJCS) for wage revision and in terms of DPE office memorandums, in view of negative figures of average profit before tax of previous three years and also based on the opinion of Expert Advisory Committee of ICAI, Company has not made any provision towards wages revision (pending since 01.01.2017) for non-executive employees (Refer to Note No. 47.13); II. Gross sales include sales to Government agencies for ₹ 5,012.76 crore for the year ended 31st March 2019 (cumulative up to 31st March, 2019 ₹ 17,252.66 crore) which is recognized on provisional contract prices (Refer Note No. 49.2). Our opinion is not qualified in respect of these matters.	Singhi & Co.	Standalone

## Other Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
1	Tata Motors Ltd.	31st March, 2019	Automobiles & Commercial Vehicles	We did not audit the financial statements of one joint operation included in the standalone financial statements, whose annual financial statements reflect total assets of ₹6,345.87 crores as at 31 March 2019, total revenue of ₹6,782.43 crores and net cash flows amounting to ₹75.02 crores for the year ended 31 March 2019, as considered on a proportionate basis in the standalone financial statements. These annual financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the standalone financial statements, to the extent they have been derived from such annual financial statements, is based solely on the report of the other auditor. Our opinion on the standalone financial statements is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.	B S R & Co. LLP	Standalone
2	Sharda Cropchem Ltd.	31st March, 2019	Agro products	The Standalone financial statements of the Company for the year ended 31st March, 2018 were audited by the predecessor auditor who expressed an unmodified opinion on those financial statements on 09 May 2018. Our opinion is not modified in respect of this matter.	B S R & Associates LLP	Standalone
3	ICICI Bank	31st March, 2019	Banks	We did not audit the financial statements of 3 international branches included in the standalone financial statements of the Bank whose financial statements reflects total assets of ₹ 657,940 million as at 31 March 2019, and total revenue and net cash outflows of ₹ 22,507 million and ₹ 5,168 million respectively for the year ended on that date, as considered in the standalone financial statements. The financial statements of these branches have been audited by the branch auditors whose reports have been furnished to us by the management, and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.	Walker Chandiook & Co. LLP	Standalone

## Other Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
4	The Ramco Cements Ltd.	31st March, 2019	Cement & Cement Products	The Separate Financial Statements includes financial performance of a foreign branch which reflects total assets of ₹ 15.74 Crores, total revenue of ₹ 87.68 Crores and net cash inflow amounting to ₹ 1.08 Crores for the year ended on 31st March 2019, which was audited by independent auditors in accordance with the regulations of that country and whose report has been furnished to us and has been considered in the Separate financial statements solely based on such audited financial statements. Our opinion is not modified in respect of this matter.	SRSV & Associates, Ramakrishna Raja And Co.	Standalone
5	TV18 Broadcast Ltd.	31st March, 2019	Entertainment	The IND AS financial information of the Company for the comparative period, have been restated to include financial statements and other financial information in respect of the transferor companies as referred to in note 42 of the standalone IND AS financial statements. The financial statements and other financial information of the transferor companies were previously audited by their respective auditors who expressed an unmodified opinion on their respective financial information and whose reports had been furnished to us by the management. We have verified the effect of the merger in the financial statements, is in accordance with the scheme of merger approved by the court. Our conclusion on the standalone IND AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these transferor companies prior to merger, is based solely on the reports of such auditors.	S.R. Battiboi & Associates LLP	Standalone
6	Larsen & Toubro Ltd.	31st March, 2019	Construction & Engineering	The standalone financial statements also includes the financial information of 4 joint operations which have not been audited by their auditors, whose financial information reflect total assets of R 41.12 crore as at March 31, 2019 and total revenues of R 4.99 crore and net cash outflows amounting to R 0.13 crore for the year ended on that date, as considered in the standalone financial statements. The financial information of these joint operations has been unaudited and has been furnished to us by the Management and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint operations, is based solely on such unaudited financial information which is certified by management. In our opinion and according to the information and explanation given to us by the Management, the financial information of these joint operations are not material to the Company.	Deloitte Haskins & Sells LLP	Standalone

## Other Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
7	Larsen & Toubro Ltd.	31st March, 2019	Construction & Engineering	<p>The consolidated financial statements includes the financial information of 6 joint operations included in the standalone financial statements of the companies included in the Group which have not been audited by their auditors, whose financial information reflects total assets of ₹ 302.45 crore as at March 31, 2019 and total revenues of ₹ 452.54 crore and net cash inflow of ₹ 0.10 crore for the year ended on that date, as considered in the respective standalone financial statements of the Companies included in the Group. The financial information of these joint operations has been unaudited and has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint operations, is based solely on such unaudited financial information which is certified by the management. In our opinion and according to the information and explanations given to us by the Management, the financial information of these joint operations are not material to the Group. The consolidated financial statements includes the financial information of 44 subsidiaries which have not been audited by their The consolidated financial statements includes the financial information of 6 joint operations included in the standalone financial and net cash inflow of ₹ 40.61 crore for the year ended on that date. The consolidated financial statements also includes the Group's share of total loss after tax (net) of R 0.06 crore and total comprehensive income (net) of ₹ 0.63 crore for the year ended March 31, 2019, as considered in the consolidated financial statement, in respect of 3 associates and 7 joint ventures, whose financial information has not been audited by their auditors. The financial information of these subsidiaries, associates and joint ventures is unaudited and has been furnished to us by the Management and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, is based solely on such unaudited financial information which is certified by the management. In our opinion and according to the information and explanations given to us by the Management, the financial information of these subsidiaries, associates and joint ventures are not material to the Group. Our opinion on the consolidated financial statement is not modified in respect of the above matters with respect to our reliance on the financial information certified by the Management.</p>	Deloitte Haskins & Sells LLP	Consolidated

## Other Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
8	ICICI Prudential Life Insurance Company Ltd.	31st March, 2019	Insurance companies	The actuarial valuation of liabilities for life policies in force and policies in respect of which premium has been discontinued but liability exists as at March 31, 2019 is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2019 has been duly certified by the Appointed Actuary and in her opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the Authority. Accordingly, we have relied upon the Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists in the standalone financial statements of the Company. Our opinion is not modified in this respect of this matter.	"B S R & Co. LLP, Walker Chandiook & Co LLP"	Standalone
9	ICICI Lombard General Insurance Company Ltd.	31st March, 2019	Insurance companies	The actuarial valuation of liabilities in respect of Incurred But Not Reported (the "IBNR"), Incurred But Not Enough Reported (the "IBNER") and Premium Deficiency Reserve (the "PDR") is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities, that are estimated using statistical methods as at March 31, 2019 has been duly certified by the Appointed Actuary and in his opinion, the assumptions considered by him for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon the Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for outstanding claims reserves and the PDR contained in the financial statements of the Company.	Chaturvedi & Co.	Standalone
10	Network18 Media & Investments Ltd.	31st March, 2019	Media	As stated in Note 45 to the standalone financial statements, pursuant to the Scheme of Merger by Absorption ("the Scheme") for the merger of the Company's direct/indirect wholly owned subsidiaries as stated in the said Note ("transferor Companies") into the Company, the comparative financial information for the year ended March 31, 2018 have been restated to give effect to the Scheme. Further, the above restatement, inter alia, is based on the financial information of ten transferor Companies which have not been audited by us. These financial information have been audited by other auditors. Our opinion on the standalone financial statements is not modified in respect of this matter.	Deloitte Haskins & Sells LLP	Standalone



## Other Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
11	Bajaj Holdings & Investment Ltd.	31st March, 2019	NBFCs & Housing Finance	The auditors of Bajaj Allianz General Insurance Company Ltd. ('BAGIC'), a Company forming part of the Group, have reported that the actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR) and claims Incurred But Not Enough Reported (IBNER) of BAGIC is the responsibility of the BAGIC's Appointed Actuary. The actuarial valuation of these liabilities as at 31 March 2019 has been duly certified by the BAGIC's Appointed Actuary. The BAGIC's Appointed Actuary has also certified that in his opinion, the assumptions for such valuation are in accordance with IND AS 104 'Insurance Contracts', IND AS 109 'Financial Instruments', the guidelines and norms issued by the Insurance Regulatory Development Authority of India ('IRDAI'/Authority') and the Institute of Actuaries of India in concurrence with the IRDAI. BAGIC's auditors have relied upon the BAGIC's Appointed Actuary's certificate in this regard for forming our opinion on the financial statements of BAGIC.	S R B C & Co. LLP	Consolidated
12	IIFL Finance Ltd.	31st March, 2019	NBFCs & Housing Finance	We did not audit the financial statements of Securities Business Undertaking included in the financial statements (consequent to the Composite Scheme of Arrangement as referred to in Note 1.1 of the financial statements), whose financial statements reflect total assets of Rs 1444.73 Millions and net assets of Rs 1414.99 Millions as at 31st March, 2019, total revenues of Rs 406.77 Millions and net cash outflows/(inflows) amounting to Rs 140.75 Millions for the year ended on that date, as considered in the financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the, in so far as it relates to the amounts and disclosures included in respect of the said undertaking and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the said undertaking is based solely on the reports of the other auditors. As required by IND AS 103 on Business Combinations under Appendix C - Business Combinations of Entities under Common Control, the financial information for the year ended 31st March, 2018 and as on 1st April, 2017 are restated for giving effect of the composite scheme of arrangement referred to in Note 1.1 to the financial statements.	V. Sankar Aiyar & Co.	Standalone

## Other Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
13	IIFL Finance Ltd.	31st March, 2019	NBFCs & Housing Finance	The comparative financial information of the Company for the year ended 31st March, 2018 and the transition date opening balance sheet as at 1st April, 2017 included in these financial statements, are based on the previously issued statutory financial statements prepared in accordance with Companies (Accounting Standards) Rules, 2016 audited by us for the year ended 31st March 2018, our report dated 1st May, 2018 and audited by the predecessor auditor for the year ended 31st March, 2017 whose report dated 3rd May, 2017 expressed an unmodified opinion on those financial statements, as adjusted for the differences in accounting principles adopted by the company on transition to the IND AS, which have been audited by us except for the figures relating to Securities Business Undertaking included in these financial statements which have been audited by other auditors whose reports have been furnished to us by the management.	V. Sankar Aiyar & Co.	Standalone
14	IL&FS Investment Managers Ltd.	31st March, 2019	NBFCs & Housing Finance	The opening balance sheet as at 1 April 2017 (transition date) included in these financial statements, is based on the previously issued statutory financial statements of the Company prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited jointly by us along with another auditor and our report for the year ended 31 March 2017 dated 29 May 2017 expressed an unmodified opinion on those financial statements and financial statements of subsidiaries were audited by another auditor who expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to IND AS, which have been audited by us. Our opinion is not modified in respect of this matter.	B S R & Associates LLP	Consolidated
15	IDFC Ltd.	31st March, 2019	NBFCs & Housing Finance	The transition date opening balance sheet as at April 1, 2017 included in these consolidated financial statements, are based on the previously issued statutory consolidated financial statements for the year ended March 31, 2017 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 their report dated April 27, 2017. The adjustments to those consolidated financial statements for the differences in accounting principles adopted by the Group on transition to the Ind-AS have been audited by us.	Price Waterhouse & Co. LLP	Consolidated

## Other Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
16	IDFC Ltd.	31st March, 2019	NBFCs & Housing Finance	<p>In respect of the consolidated special purpose financial information of Infrastructure Development Corporation (Karnataka) Limited (iDeCK) (a jointly controlled entity of the Holding Company), we draw attention to the following:</p> <p>- We did not audit the financial statements and the financial information of a Trust (subsidiary controlled by iDeCK), whose financial statements reflect total assets of ₹ 0.19 crore and net assets of ₹ 0.16 crore as at March 31, 2019, total revenue of ₹ 0.04 crore, total comprehensive income (comprising of profit and other comprehensive income) of ₹ 0.01 crore and net cash outflows of ₹ 0.01 for the year ended on that date and consequently due to Holding Company's joint control over iDeCK, reflecting Group's share of total comprehensive income (comprising of loss and other comprehensive income) of ₹ 0.005 crore, as considered in the Statement. This financial information has been audited by another auditor whose report has been furnished to us by the Management of the iDeCK and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of the said Trust is based solely on the report of the other auditor.</p> <p>- We did not audit the financial information of one associate company of iDeCK, whose financial information reflect Group's share of total comprehensive income (comprising of loss and other comprehensive income) of ₹ 0.06 crore for the year ended March 31, 2019. This financial information is based on the unaudited financial information as certified and provided to us by the management of iDeCK, and our opinion on the Statement insofar as it relates to the amounts and disclosures included in respect of this associate company of iDeCK, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management of the Holding Company, these financial statements/ financial information are not material to the Group.</p> <p>- The comparative Consolidated Special Purpose Financial Information of iDeCK for the year ended March 31, 2018 and the transition date Consolidated Opening Balance Sheet as at April 1, 2017 included in the Consolidated Special Purpose Financial Information of iDeCK, are based on the previously issued statutory consolidated financial statements for the years ended March 31, 2018 and March 31,</p>	Price Waterhouse & Co. LLP	Consolidated

## Other Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
				<p>2017 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended). The previously issued statutory consolidated financial statements of iDeCK for the year ended March 31, 2018 prepared in accordance with the Companies (Accounting Standard) Rules, 2006 (as amended) were audited by us, on which we expressed an unmodified opinion dated June 29, 2018.</p> <p>The previously issued statutory consolidated financial statements of iDeCK for the year ended March 31, 2017, prepared in accordance with the Companies (Accounting Standard) Rules, 2006 (as amended), were audited by the predecessor auditor who expressed an unmodified opinion dated June 21, 2017. The adjustments to those consolidated financial statements of iDeCK for the differences in accounting principles adopted by iDeCK on transition to the Ind-AS in respect of the standalone financial information of iDeCK, have been audited by us and in respect of the Trust, are based on the financial statements audited by the other auditor, whose report have been furnished to us by the Management of iDeCK, and in respect of the associate company of iDeCK, are based on the unaudited financial information as certified and provided to us by the management of iDeCK.</p>		
17	Lupin Ltd.	31st March, 2019	Pharmaceuticals & Chemicals	<p>Certain of these subsidiaries and a joint venture are located outside India whose financial statement/ consolidated financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries and its joint venture located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and a joint venture located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.</p>	B S R & Co. LLP	Consolidated

## Other Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
18	Sun Pharmaceutical Industries Ltd.	31st March, 2019	Pharmaceuticals & Chemicals	The accompanying consolidated IND AS financial statements include unaudited financial statements and other unaudited financial information in respect of 30 subsidiaries, whose financial statements and other financial information, without giving effect to elimination of intra group transactions, reflect total assets of ₹ 226,010.9 million as at March 31, 2019, and total revenues of ₹ 5,846.8 million and net cash outflows of ₹ 322.2 million for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by management, these financial statements and other financial information are not material to the Group. Our opinion above on the consolidated IND AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by management.	SRBC & Co LLP	Consolidated
19	Shoppers Stop Ltd.	31st March, 2019	Retail & FMCG	Pursuant to levy of service tax on renting of immovable properties given for commercial use, retrospectively with effect from 1 June 2007, the Company has challenged the aid levy and, inter-alia, its retrospective application based on a legal advice. Pending the final disposal of the matter, which is presently before the Supreme Court, the Company continues not to provide for the retrospective levy aggregating ₹1,659.56 lacs for the period 1 June 2007 to 31 March 2010.	S R B C & Co.	Standalone
20	Astral Poly Technik Ltd.	31st March, 2019	Retail & FMCG	Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company, insofar as it relates to Amalgamating Company, which is Company incorporated in India, is based on the corresponding report of the auditors of Amalgamating Company.	S R B C & Co. LLP	Standalone

## Other Matters

Sr. No	Name of Company	Period/ Year ended	Industry Type	Reporting	Auditor Name	Audit Report to Standalone / Consolidated Financial Statements
21	ITC Ltd.	31st March, 2019	Retail & FMCG	Certain of these subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us. Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.	Deloitte Haskins & Sells	Consolidated