



MROTEK[®]
Integrating Next Generation Networks
MRO:FS:16-17-076
28th May 2016

The Manager,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra – Kurla Complex
Bandra (E)
Mumbai – 400 051

Fax No. 022-2659 8237/38.

The Manager,
Listing Department,
BSE Limited
PJ Towers, Dalal Street, Fort
Mumbai – 400 001

Fax No. 022- 2272 3121

Dear Sir

Sub: Audited financial results for the year ended 31st March 2016.

We wish to inform you that the Board of Directors of the Company, at its meeting held today has approved the Audited Financial Results for the year ended 31st March 2016.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) we enclose the following;

1. Statement showing the audited financial results for the year ended 31st March 2016 along with statement of assets and liabilities.
2. A Statement of Declaration of Audit Financial Results unmodified opinion.
3. Auditor's Report on the Audited Financial Results.

The meeting of the Board of Directors of the Company commenced at 07:00 PM and concluded at 09:30 PM.

Please, take all the above on record and kindly treat this as compliance with (SEBI LODR) Regulations, 2015.

Kindly acknowledge.

Thanking you,
Yours faithfully,
for MRO-TEK Limited

Registered & Corporate office
MRO-TEK Realty Limited
Chief Finance Officer & Compliance Officer
#6, New BEL Road,
Chikkamaraiahalli
Bangalore – 560 054, India
Email : info@mro-tek.com

Scrip Code:	
NSE	: MRO-TEK
BSE	: 532376
Demat ISIN	: INE398B01018

www.mro-tek.com

MRO-TEK REALTY LIMITED

(formerly named MRO-TEK LIMITED till May 10, 2016)

Regd Office: No.6, 'Maruthi Complex', New BEL Road, Chikkamaranahalli, Bangalore-560 054

CIN NO.L28112KA1984PLC005873

Phone :23332951 Fax: 23333415

Website: www.mro-tek.com

PART I

STATEMENT OF AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2016

(₹ in Lakhs)

Particulars	Quarter ended			Year Ended	
	31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15
	Audited	Un-audited	Audited	Audited	Audited
1 Income from Operations					
(a) Net Sales/income from Operations (Net of excise duty)	842.24	1,258.57	1,367.99	3,674.22	5,616.42
(b) Other Operating Income	-	-	-	-	-
Total Income from Operations (net)	842.24	1,258.57	1,367.99	3,674.22	5,616.42
2 Expenses					
(a) Cost of materials consumed	744.14	385.53	493.71	2,112.42	2,980.84
(b) Purchases of Stock-in Trade	114.11	257.76	632.47	344.41	1,320.56
(c) Changes in inventories of finished Goods, work-in-progress and stock-in-trade	(196.83)	614.92	(76.48)	551.55	(168.77)
(d) Employee benefit expenses	255.54	273.73	337.56	1,093.96	1,342.18
(e) Depreciation and amortization expenses	31.42	29.50	(25.10)	121.07	136.90
(f) Other expenses	202.02	129.25	196.82	798.07	900.68
Total Expenses	1,150.42	1,690.70	1,558.98	5,021.49	6,512.39
3 Loss from operations before other income, finance cost and exceptional items (1 - 2)	(308.18)	(432.13)	(190.99)	(1,347.27)	(895.98)
4 Other income	4.45	10.81	25.41	24.70	67.67
5 Loss from ordinary activities before finance cost and exceptional items (3 + 4)	(303.73)	(421.32)	(165.59)	(1,322.57)	(828.30)
6 Finance costs	57.86	89.24	66.06	256.96	280.82
7 Loss from ordinary activities after finance cost but before exceptional items (5 - 6)	(361.59)	(510.56)	(231.65)	(1,579.53)	(1,109.12)
8 Exceptional Items	-	-	81.62	174.31	-
9 Loss from ordinary activities before Tax - (7 - 8)	(361.59)	(510.56)	(313.27)	(1,753.84)	(1,109.12)
10 Tax expense	(0.88)	(2.33)	(7.55)	(0.88)	(8.26)
11 Net loss from ordinary activities after tax (9 + 10)	(362.46)	(512.88)	(320.82)	(1,754.72)	(1,117.38)
12 Extraordinary items (net of tax expense)	358.07	756.59	-	1,114.66	-
13 Net loss for the period (11 + 12)	(720.53)	(1,269.48)	(320.82)	(2,869.38)	(1,117.38)
14 Share of Profit/(Loss) of Associates	-	-	-	-	-
15 Minority Interest	-	-	-	-	-
16 Net loss after taxes, minority interest and share of loss of associates (13 + 14 + 15)	(720.53)	(1,269.48)	(320.82)	(2,869.38)	(1,117.38)
17 Paid-up equity share capital (Face Value ₹ 5 each, fully paid-up)	934.23	934.23	934.23	934.23	934.23
18 Reserve excluding revaluation reserves	(1,146.23)	(440.58)	1,723.15	(1,146.23)	1,723.15
19 (i) Earnings Per Share (before extraordinary items) (not annualised):					
(a) Basic	(1.94)	(2.74)	(1.72)	(9.39)	(5.98)
(b) Diluted	(1.94)	(2.74)	(1.72)	(9.39)	(5.98)
(ii) Earnings Per Share (after extraordinary items) (not annualised)					
(a) Basic	(3.86)	(6.79)	(1.72)	(15.36)	(5.98)
(b) Diluted	(3.86)	(6.79)	(1.72)	(15.36)	(5.98)

See accompanying note to the Financial results

Notes:

- For the purpose of Segment Reporting, 'Access and Networking products' and 'Real Estate Development' constitute primary business segments.
- Due to sustained cash losses the Board of Directors decided to discontinue "Solar Based Equipment & Projects" in the meeting held on January 14, 2016 and informed to stock exchanges. The details of such 'Discontinuing Operations' are:

Particulars	Quarter-ended			Year Ended	
	31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15
Income from Discontinuing Operations					
(a) Net Sales/income from Operations (Net of excise duty)	111.25	196.45	670.12	745.70	1,521.28
(b) Other Operating Income	-	-	-	-	-
Total Income from Discontinuing Operations (net)	111.25	196.45	670.12	745.70	1,521.28
Expenses of Discontinuing Operations					
(a) Cost of materials consumed	(241.21)	(394.65)	(647.10)	(1,037.16)	(1,428.68)
Cost of Discontinuing Operations	241.21	394.65	647.10	1,037.16	(1,428.68)
Loss from Discontinuing Operations	(129.96)	(198.20)	23.02	(291.46)	92.68

- The above financial results for the 4th Quarter and financial year ended 31st March, 2016 is approved at the meetings of the Audit Committee and the Board of Directors - both held on 28th May, 2016.
- The revenue for the fourth quarter ended 31st March, 2016 is decreased by 38.43% compared to the corresponding quarter of the previous year and the net margin has come down by Rs.117.18 Lakhs as compared to the corresponding quarter of the previous year.
- The Company has received a non-refundable deposit of Rs. 9.00 Crores from Umiya Builders and Developers for Development of Land at Bellary Road, Hebbal during the quarter ended 31st March, 2016.
- The Company has incurred a sum of Rs.3.53 crores towards retrenchment compensation to employees during the quarter ended 31st March, 2016 shown under extraordinary
- The Company has provided a sum of Rs. 5.06 Lakhs towards Impairment of Fixed Assets of "Solar Based Equipment & Projects" segment during the quarter ended 31st March, 2016.
- Figures for the previous period / year have been regrouped, wherever necessary.

(₹ in Lakhs)

Particulars	Quarter Ended			Year Ended	
	31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15
	Audited	Un-audited	Audited	Audited	Audited
1 Segment Revenue (Net Sale)					
(a) Access & Networking Products	730.98	1,062.12	697.87	2,928.52	4,095.14
(b) Real Estate Development	-	-	-	-	-
Total	730.98	1,062.12	697.87	2,928.52	4,095.14
Less :- Inter segment revenue	-	-	-	-	-
Net Sales From Operations	730.98	1,062.12	697.87	2,928.52	4,095.14
2 Segment Results (loss before tax and interest)					
(a) Access & Networking Products	310.77	198.55	314.56	957.29	1,389.36
(b) Real Estate Development	-	-	-	-	-
Total	310.77	198.55	314.56	957.29	1,389.36
Less:-					
i) Interest	57.86	89.24	66.06	256.96	280.82
ii) Other Un-allocable Expenditure net off	847.06	(324.11)	610.19	3,127.77	2,378.01
iii) Un-allocable Income	4.45	10.81	25.41	24.70	67.67
Total loss before tax	(589.70)	444.24	(336.29)	(2,402.75)	(1,201.80)
3 Capital Employed (Segment Assets - Segment Liabilities)					
(a) Access & Networking Products	1,001.24	669.97	1,591.38	1,001.24	1,591.38
(b) Real Estate Development	505.23	505.23	505.23	505.23	505.23
(c) Unallocated	-	-	320.09	-	320.09
Total	1,506.47	1,175.21	2,416.70	1,506.47	2,416.70

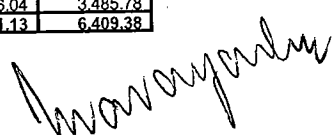
Statement of Assets and Liabilities

Particulars	As at	As at
	31-Mar-16	31-Mar-15
A EQUITY AND LIABILITIES		
1 Shareholders' Funds		
a. Share Capital	934.23	934.23
b. Reserves and Surplus	(1,146.23)	1,723.15
Sub-total -Shareholders' Funds	(212.00)	2,657.38
2 Share Application money pending allotment		
3 Minority Interest		
4 Non-Current Liabilities		
a. Long-term borrowings	26.71	94.20
b. Deferred tax liabilities (net)	102.46	101.59
c. Other long-term liabilities		
d. Long-term provisions	17.34	48.84
Sub-total - Non-current liabilities	146.51	244.63
5 Current Liabilities		
a. Short-term borrowings	1,820.40	2,147.82
b. Trade Payables	620.10	781.03
c. Other current liabilities	1,291.38	573.81
d. Short-term provisions	4.74	4.71
Sub-total - Current liabilities	3,736.61	3,507.37
TOTAL - EQUITY AND LIABILITIES	3,671.13	6,409.38
B ASSETS		
1 Non-current Assets		
a. Fixed Assets	941.99	2,350.55
b. Non-current Investments	72.52	72.52
c. Long-term loans and advances	490.59	500.54
d. Other non-current assets		
Sub-total - Non-current assets	1,505.10	2,923.60
2 Current Assets		
a. Current Investments	-	6.01
b. Inventories	1,016.91	1,799.12
c. Trade Receivables	853.89	1,062.64
d. Cash and cash equivalents	75.07	478.32
e. Short-term loans and advances	107.26	139.70
g. Discontinuing operation	112.91	
Sub-total - current assets	2,166.04	3,485.78
TOTAL - ASSETS	3,671.13	6,409.38

for MRO-TEK Limited,

28th May, 2016
Bangalore

H. Nandi
Managing Director


S Narayanan
Chairman & Managing Director

Form A

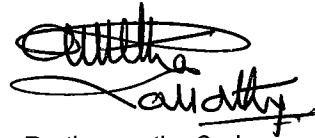
AUDITED FINANCIAL RESULTS UNMODIFIED OPINION

1	Name of the Company	MRO-TEK Realty Limited (Formerly known as MRO-TEK Limited)
2	Annual Financial Results for the year ended	31 st March 2016
3	Type of Audit Observation	Un-modified
4	Frequency of Observation	Not applicable

This is to state that pursuant to provisions of SEBI Circular No CIR/CFD/CMD/56/2016 dated 27th May 2016, there is unmodified opinion in the audit reports with respect to Audited Financial Results for the Financial year 2015-2016

For MRO-TEK Realty Limited
(Formerly MRO-TEK Limited)

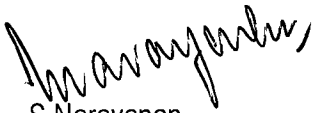
Refer our report dated 28th May 2016 on
the financial results of the Company.
for Singhvi, Dev & Unni
Chartered Accountants
Firm Registration No. 003867S



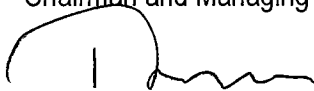
Parthasarathy Sudarsanam
Partner
Membership No. 205179
Date: 28th May 2016
Place: Bengaluru



H Nandi
Managing Director



S Narayanan
Chairman and Managing Director



Mr. K Rajamani
Chairman of the Audit Committee



Mr. Srivatsa
Chief Financial Officer

Date: 28th May 2016
Place: Bengaluru

SINGHVI, DEV & UNNI
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MRO-TEK REALTY LIMITED (formerly known as MRO-TEK LIMITED)

Report on the Financial Statements


1. We have audited the accompanying financial statements of MRO-TEK REALTY LIMITED (formerly known as MRO-TEK LIMITED) ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.


6th Floor, 'Trade Centre', # 29/4, Race Course Road, Bandra - 400 001, India.
1045B, Trade Centre, BandraKurla Complex, Bandra (E), Mumbai - 400 051 India.
Phone: + 91 80 2226 1371 Fax: + 91 80 2220 5469 e-mail: info@sduca.com URL: www.sduca.com



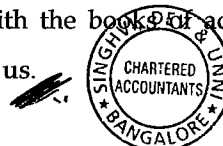
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
 - (ii) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.


Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraph 3 of the Order.
10. Subject to para 9 of this report and as required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (d) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us.



- (e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (g) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company discloses the does not have any pending litigations which would impact its financial position except as disclosed in note-26.II.(n) forming part of the financial statements.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses except as disclosed in note-26.II.(n) forming part of the financial statements.
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for Singhvi, Dev & Unni
Chartered Accountants
Firm Registration No. 003867S



Parthasarathy Sudarsanam
Partner
Membership No. 205179



Bangalore
May 28, 2016

Annexure to the Independent Auditors' Report
(as referred to in para 9 of the Independent Auditors' report dated May 28, 2016)

- (i)
- (a) According to the information and explanations provided to us, the Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. Consequently, further comment on proper treatment thereof in the books of account does not arise; and
- (c) According to the information and explanations provided to us, the Company is holding title deeds of immovable properties, owned by it, in its name. However the title deed of land at Hebbal is in the custody of to State Bank of India to facilitate overdraft facility to the Company;
- (ii) According to the information and explanations provided to us, the physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion the frequency of such verification is reasonable;
- We are informed that the discrepancies between the physical stocks and the books of accounts noticed on verification were not material;
- (iii) According to the information and explanations provided to us, the Company has not granted loans, secured and / or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Consequently, further comment under the sub-clause (a), (b) and (c) does not arise;
- (iv) According to the information and explanations provided to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made. Consequently, further comment under this clause does not arise;
- (v) According to the information and explanations provided to us, the Company has not accepted deposits. Consequently, further comment under this clause does not arise;
- (vi) According to the information and explanations provided to us, the Company is maintaining cost records in accordance with requirements of sub-section (1) of section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014. Consequently, further comment under this clause does not arise;

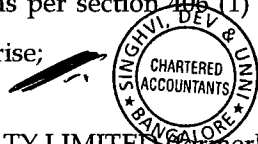


(vii)

- (a) According to the information and explanations provided to us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and there does not exist, any arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable. Attention is however drawn to note 26.II.(u) regarding delays in payment of Tax Deduction at Source under section 192 of the Income Tax Act 1961;
- (b) According to the information and explanations provided to us, there does not exist any dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute, except as provided below:

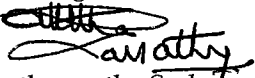
Nature of Liability	Year	Appeal	March 31, 2016
Central Excise (CENVAT)	2009-10	Custom, Excise Service Tax Appellate Tribunal, South Zone Branch, Appeal Number - E/546 & 547/2012	46,690,550

- (viii) According to the information and explanations provided to us, the Company has not defaulted in repayment of dues to a financial institution or government or bank. Consequently, further comment under this clause does not arise;
- (ix) According to the information and explanations given to us, the Company has not raised money by issue of public offer (including debt instruments) and term loan. Consequently, further comment under this clause does not arise;
- (x) According to the information and explanations provided to us and based on our examination of the books of account maintained, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year. Consequently, further comment on this clause does not arise;
- (xi) According to the information and explanations provided to us, and based on our examination of the books of account maintained, the Company has paid managerial remuneration to the 'Chairman and Managing Director' and 'Managing Director' which is in accordance with provisions of section 197 read with Schedule V to the Act. Consequently, further comment on this clause does not arise;
- (xii) According to the information and explanations provided to us, the company is not a Nidhi company as per section 406 (1) of the Act. Consequently, further comment on this clause does not arise;



- (xiii) According to the information and explanations provided to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and are disclosed in note-26.II.(h) forming part of the financial statements, annexed to this audit report in compliance of AS-18 Related Party Disclosures;
- (xiv) According to the information and explanations provided to us, and based on our examination of the books of account maintained, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Consequently, further comment on this clause does not arise;
- (xv) According to the information and explanations provided to us, the Company has not entered into any transactions with directors or persons connected with him or its subsidiary company to transfer any assets for consideration other than cash under Section 192 (1) (a) of the Act.
- According to the information and explanations provided to us, the Company has not entered into any transactions with directors or persons connected with him to acquire any assets other for consideration other than cash under Section 192 (1) (b) of the Act;
- (xvi) According to the information and explanations provided to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Consequently, further comment on this clause does not arise.

for Singhvi, Dev & Unni
Chartered Accountants
Firm Registration No. 003867S


Parthasarathy Sudarsanam
Partner
Membership No. 205179



Bangalore
May 28, 2016

Annexure 'B' to the Independent Auditors' Report

(as referred to in para 10(h) of the Independent Auditors' report dated May 28, 2016)

1. We have audited the internal financial controls over financial reporting of the Company as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

Meaning of Internal Financial Controls over Financial Reporting

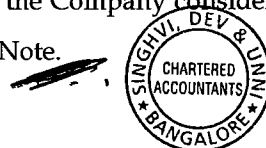
6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:
 - a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
 - b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
 - c. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

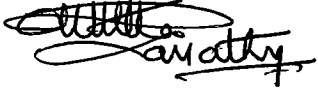


Emphasis of Matters:

9. During the year the Company has not undertaken physical verification of inventory 'demo stock'. However the value of such inventory (net of provision for obsolescence) was ₹ 535,655 as on March 31, 2016.
10. The Company has control mechanism of independently reviewing of transactions in compliance with applicable statutory requirements. However aberrations were observed in respect of Tax Deduction at Source under the provisions of section 192 of Income tax Act 1961, which are in the process of being remediated. Attention is drawn to note-26.II.(u).

Our opinion is not modified in respect of these matters.

for Singhvi, Dev & Unni
Chartered Accountants
Firm Registration No. 003867



Parthasarathy Sudarsanam
Partner
Membership No. 205179



Bangalore
May 28, 2016