

29 November 2019

The Corporate Compliance Department
BSE Limited, PJ Towers
Fort, Mumbai – 400 001

**SUBMISSION OF AUDITED FINANCIAL RESULTS FOR THE
FINANCIAL YEAR ENDED 31ST MARCH 2019 ALONG WITH
INDEPENDENT AUDITORS REPORT - RICOH INDIA LIMITED**

Dear Sir

The Company hereby informs your good Office that the Resolution Professional of the Company in meeting held today i.e Friday, 29 November 2019 has considered and approved inter alia Audited Financial Results of the Company for the Financial Year ended 31st March 2019.

Given the above, the Company is submitting the Audited Financial Results of the Company for the Financial Year ended 31st March 2019 along with Independent Auditors Report.

The above is for your kind information and record please.

Yours Faithfully

For **Ricoh India Limited**

(Company under CIRP by Hon'ble NCLT Mumbai Order dated 14 May 2018)


Manish Sehgal
Company Secretary

Encl: a/a

RICOH INDIA LIMITED
(CIN - L74940MH1993PLC074694)

Regd.Off. 1132, 3rd Floor, Building No.11, Solitaire Corporate Park, Guru Hargovindji Marg,
Andheri Ghatkopar Link Road, Chakala, Andheri East, Mumbai – 400 093
Website: www.ricoh.co.in, Email: ril.secretarial@ricoh.co.in

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2019

(Amount in INR Lakhs)

	Particulars	For the year ended	
		March 31, 2019	March 31, 2018
		Audited	Audited
1	Income		
	(a) Revenue from Operations		
	- Sales of goods	27,263	41,664
	- Sales of services	30,517	23,490
	- Other Operating Income	2,660	3,010
	(b) Other Income	927	823
	Total income	61,368	68,987
2	Expenses		
	(a) Purchase of stock-in-trade & services	42,306	57,740
	(b) Changes in inventories of Stock in Trade	7,491	12,353
	(c) Employee benefits	6,759	10,463
	(d) Finance Costs	334	7,100
	(e) Depreciation and amortisation	1,188	1,736
	(f) Other expenses	7,376	14,892
	Total Expenses	65,454	104,284
3	(Loss)/Profit before exceptional items and tax (1 - 2)	(4,086)	(35,297)
4	Exceptional Items	12,201	54,018
5	(Loss)/Profit after exceptional items but before tax (3 - 4)	(16,287)	(89,315)
6	Tax Expense		
	- Income tax earlier year	-	95
7	Net (Loss)/ Profit for the period (5 + 6)	(16,287)	(89,410)
8	Other comprehensive income	(132)	35
9	Total comprehensive income for the period (7 + 8)	(16,418)	(89,375)
10	Paid up equity share capital (Rs. 10/- each)	3,977	3,977
	(Loss)/ Earnings per share (of Rs 10/-each) (not annualised):		
	a) Basic	(41)	(225)
	b) Diluted	(41)	(225)

For and on behalf of Ricoh India Limited
CIN: L74940MH1993PLC074694



Subhankar Lahiri
Chief Executive Officer / Director
DIN: 08089368



Ajay Kumar Mishra
Chief Financial Officer



Manish Sehgal
Company Secretary



Taken On Record
Krishna Chamadia
Monitoring Agent per Order of Hon'ble NCLT, Mumbai dated 28 Nov'19


Place: Noida
Date: November 29, 2019

(Amount in INR Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
ASSETS		
Non-current assets		
Property, plant and equipment	3,226	4,301
Capital work-in-progress		
Goodwill		
Other intangible assets	117	267
Financial assets		
i. Investments	-	-
ii. Loans	5,905	4,515
iii. Trade receivables	-	-
iv. Other financial assets	8,422	14,334
Deferred tax assets (net)	-	-
Income tax assets (net)	5,455	4,464
Other non-current assets	1,545	1,146
Total non-current assets	24,670	29,027
Current assets		
Inventories	13,484	20,975
Financial assets		
i. Trade receivables	31,198	34,256
ii. Cash and cash equivalents	5,312	14,405
iii. Bank balances other than cash and cash equivalents, above	23,661	6,667
iv. Loans	121	5,133
v. Other financial assets	20,538	17,725
Other current assets	5,653	11,114
Total current assets	99,967	110,275
Total assets	124,637	139,301
EQUITY AND LIABILITIES		
Equity		
Equity share capital	3,977	3,977
Other equity	(125,037)	(108,618)
Total equity	(121,060)	(104,641)
LIABILITIES		
Non-current liabilities		
Financial liabilities		
i. Borrowings	20,000	20,000
ii. Other financial liabilities	457	448
Provisions	621	496
Deferred tax liabilities (net)		
Other non-current liabilities	29	86
Total non-current liabilities	21,107	21,030
Current liabilities		
Financial liabilities		
i. Borrowings	127,392	129,528
ii. Trade payables		
a) Total outstanding dues of micro and small enterprises	46	696
b) Total outstanding dues of creditors other than micro and small enterprises	89,795	83,918
iii. Other financial liabilities	1,566	1,718
Provisions	586	754
Other current liabilities	5,205	6,299
Total current liabilities	224,590	222,913
Total liabilities	245,697	243,943
Total equity and liabilities	124,637	139,302

For and on behalf of Ricoh India Limited
CIN: I74940MH1993PLC074694


Subhankar Lahiri
Chief Executive Officer / Director
DIN: 08089368


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Krishna Chamadia
Monitoring Agent per Order of Hon'ble NCLT, Mumbai dated 28 Nov'19


Ajay Kumar Mishra
Chief Financial Officer


Manish Sehgal
Company Secretary

Notes to the Results

1. This statement has been reviewed by Monitoring Agent Mr. Krishna Chamadia as on November 29, 2019.
2. The financial results (based on the audited Ind AS Financial statements) have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013, to the extent applicable and generally accepted accounting principles.

Background

3. Ricoh India Limited ('the Company') is engaged in business of office imaging Equipments, production print solutions and Information Technology Enabled Services. Its ultimate parent Company, Ricoh Company Limited ('RCL'), Japan, decided to withdraw the financial support which was given by it to enable the Company to meet its financial obligations as and when they fall due. This financial support was over and above the capital infusion of Rs.112,300 lakhs which was provided by NRG Group Limited in the earlier financial years. The above support was extended vide issue of 'stand by letter of credit' ('SBLC') by RCL to the banks, whereby RCL agreed to pay the entire loan which was covered under the SBLC.

Soon after the withdrawal of aforesaid financial support on and from October 27, 2017, as agreed, RCL paid the guaranteed outstanding bank loans (including interest and fee, wherever applicable) covered under SBLC to the tune of INR 129,528 lakhs. As a result, the loans which were to be paid back earlier by the Company to its bankers are now payable to RCL.

On January 29, 2018, the Company voluntarily filed a petition for Insolvency under section 10 of the Insolvency and Bankruptcy Code, 2016 ('IBC') before the Hon'ble National Company Law Tribunal ('NCLT'), Mumbai. This petition has been admitted by the Hon'ble Tribunal vide its order dated May 14, 2018. The Company filed the petition to initiate Corporate Insolvency Resolution Process ('CIRP') against itself due to defaults committed in repayment to its operational creditors. As a result, the powers of Board of Directors of the Company under CIRP being suspended, Mr. Krishna Chamadia who was appointed as Interim Resolution Professional took charge of the affairs of the Company and was later confirmed as Resolution Professional ('RP') by the Committee of Creditors ('CoC') under IBC in its meeting held on June 15, 2018.

RP with the approval of CoC had filed an application before the Hon'ble NCLT, Mumbai seeking an extension of the period of CIRP of the Company by Ninety (90) days in terms of Section 12(2) of the IBC, 2016. The Hon'ble NCLT, Mumbai has granted an extension of the CIRP period of the Company by further period of Ninety (90) days vide its Order dated October 30, 2018.

The RP of Ricoh India Limited had filed an Application with the Adjudicating Authority for approval of the Resolution Plan on February 18, 2019 as approved by the CoC in accordance with the relevant provisions of the IBC, 2016. As per sub-section (i) of section 31 of the Insolvency and Bankruptcy



Code 2016, the Adjudicating Authority has passed the order approving the successful resolution plan on Nov 28, 2019 which is binding on the corporate debtor, its employees, members, creditors, guarantors, and all other stakeholders. The approval of the Adjudicating Authority subsequent to the end of Financial year under report has been considered as non-adjusting event for the purpose of financial statements for the Year Ended March 31, 2019; hence, the reported numbers for the year ended/as at the said date are not adjusted.

A Petition was filed by Minority Shareholder(s) of the Company before the Hon'ble NCLT, Mumbai Bench under Sections 241 and 242 read with Chapter XVI of the Companies Act, 2013 and the matter is sub-judice.

The Hon'ble NCLAT New Delhi vide its Order dated May 14,2019 has dismissed Appeal filed by Umesh Aggarwal against the ongoing CIRP of the Company.

Going Concern

4. The Section 20 (1) of IBC, 2016 reads as follows –

The interim resolution professional shall make every endeavour to protect and preserve the value of the property of the corporate debtor and manage the operations of the corporate debtor as a going concern.

Accordingly, the RP had been managing the operations of the Company, as a going concern, inviting, vetting and admitting the claims against the Company and managing/supervising the operations of the Company as part of CIRP; the Company received claims aggregating to INR. 134,681 Lakhs till January 24, 2019 from its vendors and other parties. The RP had admitted claims of INR 79,017 Lakhs.

The RP had also invited resolution plans from Resolution Applicants. Resolution Applicant was approved in the meeting held by the CoC on February 18, 2019. The Adjudicating Authority on November 28, 2019 has passed the order approving the successful resolution plan which is binding on the corporate debtor, its employees, members, creditors, guarantors, and all other stakeholders. Considering the above facts and continuing operations of the Company, its Financial statements have been prepared on a 'going concern' basis.

Board of Directors

5. Mr. Yoshitaka Motomura resigned as Director of the Company w.e.f. April 1, 2018. Mr. Noboru Akahane resigned as Chairman and Director of the Company w.e.f. September 28 2018 while Mr. A.T. Rajan ceased to be the Director of the Company w.e.f. December 21, 2018. Mr. Tanmoy Adhikary and Ms. Hamsa Vijayaraghavan were appointed as Independent Directors on March 27, 2018 and they subsequently resigned as Directors of the Company w.e.f. March 9 ,2019. Mr. Subhankar Lahiri ceased to be the Managing Director of the Company on March 31,2019, though he continues to be the sole Director and CEO of the Company.



Regulatory matters

6. Securities and Exchange Board of India ('SEBI') had issued an interim order on February 12, 2018 in response to the communications by the Company to it, intimating Company about falsification of accounts which was highlighted in its forensic review. Hence, at behest of SEBI, the BSE appointed an independent firm to conduct forensic audit of the books of account of the Company from Financial Year 2012-13 onwards. Thereafter, SEBI vide its order dated March 5, 2019 appointed M/s Pipara & Co LLP, Chartered Accountants as the Forensic Auditors to conduct forensic audit of the Company for the financial years ended March 31, 2013, March 21, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018. The reports of these forensic audits and further orders from SEBI are awaited by the Company.
7. On May 4, 2016, BSE Limited issued a notice that the shares of the Company would be suspended with effect from May 26, 2016 on account of non-compliance of Regulation 33 of SEBI (LODR), 2015 for two consecutive quarters. Having brought its compliances up to date, the Company filed an application for revocation of suspension of trading of shares of the Company with BSE Limited on December 19, 2016. All necessary payments of penalties and filing fees were made at the same time;
8. The Company had raised Non-Convertible Debentures (NCDs) of INR. 20000 Lacs. The Coupon Rate was revised from 7.8% per annum payable on semi-annual basis to 7% per annum payable semi-annually. Further, the date of maturity of the Debentures was extended from September 10, 2017 to September 10, 2020. The Company being in CIRP by Order of Hon'ble NCLT Mumbai since May 14, 2018 defaulted in making payment of Half Yearly Interest on the said NCDs and the default is from September 2017 till September 2019.
9. The Statutory Auditors of the Company, M/s B.S.R. & Co LLP, Chartered Accountants, Noida, resigned vide their letter dated August 14, 2019; the Company appointed on August 30, 2019 M/s Khimji Kunverji & Co LLP, Chartered Accountants, Mumbai to fill the casual vacancy which has been subsequently approved by the shareholders through Postal Ballot. The result of which was announced on October 24, 2019.
10. The explanation and clarifications for each of the qualified observations in the audit report for the year ended March 31, 2019 are given in the Director's report which forms part of the Annual Report 2018-2019.

Segment reporting

11. Operating segments are reported in a manner consistent with internal reporting provided to chief operating decision maker. The Company's business operations comprise of trading in goods and providing delivery of related services including execution of technology enabled projects of allied matters in India. As such, there are no reportable segments as per Ind AS 108 "Operating Segments".



Other Matters

12. Indian Accounting Standards (Ind AS) 115 – “Revenue from Contracts with Customers” notified w.e.f. April 1, 2018, replacing Ind AS 18 ‘Revenue Recognition’ and Ind AS 11 ‘Construction Contracts’. The Company has adopted Ind AS 115 with modified retrospective approach for its revenue from long term service contracts. The Impact thereof on the Financial results is not significant.
13. The comparative figures / details of the previous financial year are regrouped / re-arranged to confirm to classification of the financial year under report.

For Ricoh India Limited



Subhankar Lahiri

Chief Executive Officer /
Director

DIN: 08089368



Ajay Kumar Mishra

Chief Financial Officer



Manish Sehgal

Company Secretary



Taken on Record

Krishna Chamadia

Monitoring Agent as per Hon'ble NCLT dated 28 Nov'19

Date : Nov 29, 2019

Place : Noida



Independent auditor's report

To the members of Ricoh India Limited

Report on the audit of Ind AS financial statements

1 Qualified Opinion

We have audited the accompanying Ind AS financial statements of Ricoh India Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible impacts of the matters described in the Basis for Qualified Opinion paragraph of our report, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019 and its loss (including other comprehensive income), changes in equity and cash flows for the year then ended.

We have not been able to obtain sufficient and appropriate audit evidences to ascertain the combined impact of the items noted in "Basis for Qualified Opinion" paragraph, hence unable to comment thereon.

2 Basis for Qualified Opinion

2.1 Attention is drawn to Note No. 1(B) to the Ind AS financial statements stating that in view of irregularities and suspected fraudulent transactions noted in earlier financial years upon which the Company carried out internal investigations and as a result recorded significant adjustments in its books of accounts in earlier years. Securities and Exchange Board of India ('SEBI') had issued an interim order on February 12, 2018 in response to the communications by the Company to it, intimating the Company about falsification of accounts which was highlighted in its forensic review. Hence, at behest of SEBI, the BSE appointed an independent firm to conduct forensic audit of the books of account of the Company from Financial Year 2012-13 onwards. Thereafter, SEBI vide its order dated March 05, 2019 appointed another firm of Independent Chartered Accountants as the Forensic Auditors to conduct forensic audit of the Company for the financial years ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018. The reports of these forensic audits and further orders from SEBI are awaited by the Company. In view of these pending matters, we are unable to comment on the consequential impact, if any, on the Ind AS financial statements due to outcome of such inquiry / investigations by the law enforcing agencies and outcome of related litigations and claims.

2.2 The Statutory Auditors of the Company for the year ended March 31, 2018 ('Erstwhile Auditors') have stated their inability to express an opinion on the Ind AS financial statements for the financial year ended March 31, 2018 and made various observations in their audit report dated November 21, 2018, which inter alia included apart from other matters, limitations with regard to availability of necessary audit evidences including original documents and information, satisfactory explanations and justifications required for audit observations for the year ended March 31, 2018.

Further Erstwhile Auditors have stated that they had made various observations in their audit report dated May 26, 2017 on the financial statements for the year ended March 31, 2017, which, inter alia,



Khimji Kunverji & Co LLP

Chartered Accountants

included apart from other matters, limitations with regard to availability of necessary audit evidences including original documents and information satisfactory explanations and justifications required for audit for the years ended March 31, 2016 and March 31, 2017. In view of the limitations and uncertainties involved, they had expressed their inability to express an opinion on the financial statements for the aforesaid years.

Our qualified opinion on the Ind AS financial statements for the year ended March 31, 2019 is because of the possible impacts of the above matters on the figures for the year ended March 31, 2019 and on the corresponding figures for the year ended March 31, 2018, which affects the comparability with figures of year under report.

- 2.3 Attention is invited to Note No. 2(A)(d) to the Ind AS financial statements wherein it is stated that the Company has used significant assumptions / estimates in accounting of certain critical areas such as revenue contracts and provision for doubtful receivables in respect of outstanding trade receivables / supplier advances. In view of the significance of these assumptions / estimates and in the absence of substantive audit evidence including past trends, reconciliation with customers / vendors, reliable estimate of future developments etc., we are unable to validate the reasonableness of these assumptions / estimates. The impact of the said observations on the Ind AS financial statements is not ascertained.
- 2.4 As part of Corporate Insolvency Resolution Process ('CIRP'), the Company received claims aggregating to INR 134,681 lakhs till January 24, 2019 from its vendors and other parties. The Resolution Professional ('RP') admitted claims of INR 79,017 lakhs. As per the books of Account of the Company, the provision made by the Company amounted to INR 78,882 lakhs. The management believes provision made in the books of accounts is appropriate. In absence of the evidences, confirmations and basis of provision made by the management of the Company, we are unable to comment on the impact, if any, thereof on the Ind AS financial statements under report.
- 2.5 (a) The balances of trade receivables, other receivables and trade payables are subject to confirmation and consequent reconciliation. Further the trade receivables include sum of INR 629 lakhs being unreconciled dues from 3 (three) overseas related parties of the Company which are outstanding for period exceeding 545 days.
- (b) Some of the foreign currency balances (both receivable and payable) have been outstanding for a period which is beyond the prescribed period for settlement of such balances as per the Reserve Bank of India (RBI) guidelines. Non-compliance with the provisions of RBI guidelines may result in imposition of penalties on the Company, which have not been quantified.
- (c) A letter seeking confirmation from the Company by an overseas related party received by the Company shows sum of INR 936 lakhs (USD 14 lakhs) payable as at the Balance sheet date by that overseas entity to the Company; but the Company's books of account do not reflect any such sum receivable from the said entity.
- (d) Financial Deposit amounting to INR 5,696 lakhs grouped under non-current loans and advances as at March 31, 2019, could not be verified with confirmations or any other corroborative evidences in course of our audit.

Impact, if any, of the above observations on the Ind AS financial statements cannot be commented upon in absence of necessary satisfactory explanations.

- 2.6 Attention is invited to Note No. 16(b) of the Ind AS financial statements wherein it is stated that as a part of Ricoh Company Limited's ('RCL' or 'ultimate parent company') intimation of October 27, 2017 to not provide any additional financial support going forward to the Company, the ultimate parent company has repaid all outstanding balances of the Company's bankers aggregating INR 129,528 lakhs since the same had been guaranteed by the ultimate parent company. The ultimate parent company has



further claimed an interest of INR 13,313 lakhs on the said amount till March 31, 2019. As informed by the management, in absence of any agreement regarding terms, the Company has not acknowledged the amount of interest claimed by the ultimate parent company as debt. The duration of this loan has not been determined though it has been included under Borrowings as current liabilities in the Ind AS financial statements.

Further, the claims of the ultimate parent company and other overseas related parties for their trade receivables totaling to INR 139 lakhs and interest on redeemable non-convertible debentures of the face value of INR 20,000 lakhs, amounting to INR 1,400 lakhs for the year under report are not recognized in the books of account.

Moreover, the Company has also not recognized the impact of Ind AS 109 "Financial Instruments" on the accounting and classification of these amounts (claimed by the ultimate parent company and other overseas related parties) including for the face value of redeemable non-convertible debentures.

Hence, we are unable to comment on the impacts of the above on the Ind AS financial statements under report.

2.7 The Company needs to strengthen its internal control systems, in particular its IT application and general controls and those relating to existence of contract work-in-progress; revenue from leases including ascertaining accurate bifurcation / nature of lease; reconciliation of consumables and spares consumed with related sales; accounts receivables including periodic reconciliations with customers, age wise analysis; classification of costs relating to items of purchase of traded goods including costs incurred towards warranty and certain contract expenses; assessment of warranty obligations and liquidated damages provisioning; recording of numerous manual entries and strengthening of automated controls in all the operational areas. The combined consequential impacts of these control weakness, if any, cannot be commented upon.

2.8 The Company has not filed its financial results for the quarter and year-to-date period ended June 30, 2018, September 30, 2018, December 31, 2018 and subsequent periods till date as prescribed under regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Impact, if any, of this non-compliance on the Ind AS financial statements under report cannot be commented upon.

2.9 In absence of party-wise details pertaining to sums due to Micro, Small & Medium Enterprises ('MSME') vendors amounting to INR 696 lakhs as at April 01, 2018 and company's inability to identify the MSME vendors, we are unable to verify the accuracy of provision for interest on overdue amounts payable to MSMEs as also the closing balance of outstanding dues to MSMEs as at March 31, 2019.

3 Material Uncertainty Related to Going Concern

We draw the attention to Note No. 1(A) to the Ind AS financial statements, which brings out, in details, the fact that the business operations of the Company being hampered due to withdrawal of financial and operational support from the ultimate parent company from October 27, 2017 and initiation of CIRP vide the Company's petition under Section 10 of the Insolvency and Bankruptcy Code, 2016 ('IBC'). The resolution plan was duly approved by the Committee of Creditors ('CoC') and filed with National Company Law Tribunal ('NCLT'). The Order of NCLT approving the resolution plan is passed on November 28, 2019. Hence, the Ind AS financial statements of the Company have been drawn on 'going concern' basis. Our report is not modified in respect of this matter.



4 Emphasis of Matter

We draw attention to Note No.1(A) to the Financial Statements which describes the status of Corporate Insolvency Resolution Process that the Company underwent. The resolution plan was duly approved by the Committee of Creditors ('CoC') and filed with National Company Law Tribunal ('NCLT'). The Order of NCLT approving the resolution plan is passed on November 28, 2019. The approval of the Adjudicating Authority subsequent to the end of financial year under report has been considered as non-adjusting event for the purpose of financial statements for the year ended March 31, 2019; hence, the reported numbers for the year ended/as at the said date are not adjusted. Our report is not modified in respect of this matter.

5 Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the year under report. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Use of estimates and judgements for revenue recognition in case of contractual arrangement towards Information Technology Enables Services (ITES)

Revenue in case of ITES contracts with customer include multiple performance obligations and involves substantial degree of accounting assumptions / estimates for determination of extent and timing of revenue recognition based on nature of contract and system integration services embedded therein.

Such arrangements require management to identify all the performance obligations in the arrangement and recognize revenue based on the fair value of those performance obligations at the appropriate time, generally upon delivery / installation of equipment or acceptance of products and services. These arrangements may give rise to the risk of material misstatement due to the incorrect identification of performance obligations and timing of revenue recognition for each obligation.

Hence, it is considered as key audit matter.

Audit approach adopted to assessed risk

We obtained an understanding of management's revenue recognition process and evaluated the design and tested the operating effectiveness of controls over revenue recognition, with particular focus on the controls executed for the identification of performance obligations, within revenue contracts and determination of the timing of recognition for each revenue milestone.

The above included obtaining list of ongoing contracts and analysis of the performance obligation therein.

We carried out detailed testing procedures over revenue arrangements that we selected based on size and complexity to assess the appropriateness of judgements made by management regarding performance obligations, the determination of fair value of deliverables and the appropriateness of recognition triggers.

We tested a sample of revenue transactions recorded during the year by tracing them to supporting evidence of delivery, installations, acceptance and assessed the revenue recorded for the period by comparing it to contractual terms.



6 Information Other than the Ind AS Financial Statements and Auditor's Report Thereon

The Company being under CIRP, the power of its Board of Directors being suspended, the RP and the management of the Company are responsible for the preparation of the other information, comprising of the information included in the Management Discussion and Analysis, Directors' Report including Annexures thereto, Corporate Governance and such other disclosures related Information, excluding the Ind AS financial statements and auditors' report thereon ('Other Information'). Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. The draft of such other information is made available to us.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the Other Information and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charges with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'

Based on review of the draft of such 'Other Information', we have no reportable observation.

7 Responsibility of Management for Ind AS Financial Statements

The Company being under CIRP, the power of its Board of Directors being suspended, the RP and the management of the Company are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The RP and the management of the Company are also responsible for overseeing the Company's financial reporting process.

8 Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing ('SA') will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements. Our audit process in accordance with the SAs is narrated in Annexure A to this report.



9 Other Matters

The comparative financial information of the Company for the year ended March 31, 2018 included in these Ind AS financial statements, are based on the previously issued statutory financial statements audited by the Erstwhile Auditors for the year ended March 31, 2018, whose report dated November 21, 2018 expressed disclaimer of opinion on those Ind AS financial statements as described in paragraph 2.2 above.

10 Report on Other Legal and Regulatory Requirements

10.1 As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order.

10.2 As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained, except for the items noted in basis for qualified opinion in paragraph 2 above, 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, except as noted in basis for qualified opinion in paragraph 2 above, 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.
- c. Except for the impact of items noted in basis for qualified opinion in paragraph 2 above, the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flows Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts.
- d. Except for matters mentioned in basis for qualified opinion in paragraph 2 above, in our opinion, the Ind AS financial statements comply with the applicable Indian Accounting Standards notified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.
- e. The matters described in the basis for qualified opinion in paragraph 2 above may, in our opinion, have an adverse effect on the functioning of the Company.
- f. As per the information and explanations provided and, in our opinion, the sole director on the Board of the Company is covered by the disqualification in terms of provisions of section 164(2) of the Act.
- g. 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 C.
- h. The provisions of Section 197(16) of the Act have been complied with by the Company.
- 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) Except for impact of matters mentioned in basis for qualified opinion in paragraph 2 above, the Company has disclosed the impact of pending litigations on the financials position in its Ind AS financial statements. Refer Note 36(A) to the Ind AS financial statements.



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- (ii) The Company needs to strengthen necessary process to assess the material foreseeable losses on its long-term contracts in nature of providing long term services to its clients, though necessary provisioning was made in course of our audit. The Company does not have any derivative contracts. Refer Note 36(B) to the Ind AS 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 **Khimji Kunverji & Co LLP**
(Formerly Khimji Kunverji & Co – FRN: 105146W)
Chartered Accountants

Hasmukh B. Dedhia

Hasmukh B. Dedhia
Partner (F - 033494)
ICAI UDIN: 19033494AAAAMC1072



Place: Mumbai
Date: November 29, 2019

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Annexure A to the Independent Auditor's Report on the Ind AS Financial Statements of Ricoh India Limited for the year ended March 31, 2019 ('the main report'), as referred to in para 8 thereof:

As part of our audit in accordance with SAs we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, to design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Take into consideration the applicable reporting framework, relevant provisions of the Act and the Rules made there under.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



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LLPIN-AAP-2267 [Converted from Khimji Kunverji & Co, a partnership firm with reg. no. 46150, into LLP w.e.f. May 08, 2019]

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Annexure B to the Independent Auditor's Report on the Ind AS Financial Statements of Ricoh India Limited for the year ended March 31, 2019 ('the main report'), as referred to in para 10.1 thereof:

- (i) (a) According to information and explanation given to us, the Company has generally maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) According to the information and explanations given to us, though the management of the Company does not have a regular program of physical verification of its fixed assets, it verifies the material items of fixed assets over a period. The fixed assets except for machines given on lease and machines kept as backup at customer locations, were verified by the management during the year. In our opinion, physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. As informed to us, discrepancies noticed, which were not material, on such verification have been properly dealt with in the books of account. In respect of machines given on lease, as informed to us, are verified based on the system of monthly billing and physical counting of the output of such machines and/or machines in field report.
- (c) We have been provided with the notarized/ certified copies of the title deeds in respect of the immovable properties, which are observed to be in the name of the Company and some of them are held in the name of Gestetner India Limited and Indian Duplicator Company Limited, which, as informed, got merged into the Company in the earlier years.
- (ii) The inventories, except goods-in-transit and stocks lying with third parties, have been physically verified by the management during the year and also subsequent to the year end. The Company performed roll back procedures to arrive at derived quantities of inventories as at the year end. In our opinion, the frequency of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business. As informed to us, material discrepancies noted on such verification / roll back procedures, between the physical stocks and the book records have been adjusted in the books of account. The inventories lying with third parties are verified based on the installation reports / delivery documents available with the Company.
- (iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured during the year under report to Companies, Firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii) of the Order is not applicable.
- (iv) Except for the effects of the matters contained in the basis of Qualified Opinion in paragraph 2 of our main report, according to the information and explanation given to us, the Company has not given any loans, or made any investments, or provided any guarantee, or security as specified under Section 185 and 186 of the Act.
- (v) According to the information and explanations given to us, and in our opinion, the Company has not accepted any deposits from the public during the year and consequently, there are no reportable items under the directives issued by Reserve Bank of India, the provisions of sections 73 to 76 of the Act and rules framed there under.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for any of any activities / services rendered by the company. Accordingly, paragraph 3(vi) of the Order is not applicable.
- (vii)
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of amounts deducted/ accrued in the books of account, the Company has generally been regular in depositing undisputed statutory dues with appropriate authorities including Provident Fund, Employees' State Insurance Scheme, Income-Tax, Sales Tax, Value Added Tax, Service Tax, Duty of Customs, Goods and Service Tax and other material statutory dues.
- (b) According to the information and explanations given to us, no amounts payable in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance Scheme, Income-Tax, Goods and



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Services Tax, Sales Tax, Service Tax, Duty of Customs, Value Added Tax, Cess and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable except as mentioned below-

Name of the Statute	Nature of the Dues	Amount (INR Lakhs)	Period to Which the Amount relates	Due Date	Date of Payment
The Karnataka Tax on Professions, Trades, Callings and Employment Act, 1976	Profession Tax	2.04	August 17-Sept 18	Various Dates	November 6, 2019
The Assam Professions, Trades, Callings and Employments Taxation Act, 1947	Profession Tax	0.37	April 17-Sept 2018	Various Dates	July 2, 2019
The Orissa State Tax on Profession, Trades, Callings and Employments Act, 2000	Profession Tax	0.21	April 17-Sept 2018	Various Dates	November 6, 2019
The West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979	Profession Tax	0.81	April 17-Sept 2018	Various Dates	November 6, 2019
Tax on Professions, Trades, Callings and Employments Act, 1991	Profession Tax	0.20	April 17-Sept 2018	Various Dates	November 6, 2019
Kerala Municipal Act, 1994	Profession Tax	0.54	April 17-Sept 2018	Various Dates	November 6, 2019
The Central Goods & Services Tax, 2017	Goods & Service Tax	5.44	July 2017	August 25, 2017	October 20, 2018
Income Tax Act, 1961	Tax Deducted at Source	0.24	May 2017	June 7, 2017	Not Paid till date
Income Tax Act, 1961	Tax Deducted at Source	0.08	July 2017	August 7, 2017	Not Paid till date

- (c) According to the information and explanations given to us, there are dues of Income Tax, Sales Tax, Service Tax and Goods and Service Tax which have not been deposited with the appropriate authorities on account of dispute are as under.

Name of the Statute	Nature of Dues	Amount demanded (INR Lakhs)	Amount paid under protest (INR Lakhs)	Period to which it relates	Forum where the dispute is pending
Income-tax Act 1961	Income-tax	242	-	Assessment Years: 1999-00, 2006-07, 2009-10	High court



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Name of the Statute	Nature of Dues	Amount demanded (INR Lakhs)	Amount paid under protest (INR Lakhs)	Period to which it relates	Forum where the dispute is pending
Income-tax Act, 1961	Income-tax	362	-	Assessment Years: 2005-06, 2007-08	Income Tax Appellate Tribunal
Income-tax Act, 1961	Income-tax	593	90	Assessment Years: 2002-03, 2003-04, 2005-06, 2006-07, 2007-08, 2008-09, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16	CIT (Appeals)
Finance Act, 1994	Service tax	89	9	Dec 2004 to Sept 2006; Financial Year: 2007-08 and 2008-09	CESTAT
Finance Act, 1994	Service tax	154	113	Oct 2003 to March 2004, Oct 2010 to March 2012, Oct 2013 to June 2017	CIT (Appeals)
Sales tax Act	Sales tax	7,176	148	Various years between Financial Years 1984-85 to 2012-13	Appellate Tribunals of various states
Sales tax Act	Sales tax	44,118	1,263	Various Years Between Financial Years 1981-82 to 2014-15	CIT (Appeals)
SGST Act, 2017	GST	590	-	Financial Year 17-18	CIT (Appeals)

(viii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has defaulted in repayment of dues on unsecured, redeemable non-convertible debenture, being interest thereon for HYE Mar-2018, HYE Sept-2018 and HYE Mar-2019 aggregating to INR 2127 Lakhs. The Company did not have any outstanding dues to Government during the year or as at March 31, 2019.



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- (ix) According to the information and explanation given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- (x) In addition to the subsisting impacts, if any, of suspected fraudulent occurrences mentioned in para 2.1 of our main report, according to the information and explanations given to us, incidents of frauds and falsifications involving employees of outsourced service provider engaged by the CoC and an another such service provider aggregating to appx INR 521 Lakhs were reported during the year under report. As informed to us, out of the said amount, in case of an incident involving sum of INR 400 Lakhs were detected beforehand and averted from any falsification. For the other incidents of sum involving INR 121 Lakhs, amounts are informed to have been recovered from the outsourced service providers. The necessary legal actions have been initiated against the alleged persons involved in the said incidents.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, it has paid / provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) The Company does not have an appropriate composition of its Board of directors and does not have an Audit Committee. As a result, it is non-compliant with provisions of Section 177 of the Act. According to the information and explanations given to us and based on our examination of the records of the Company, the transaction with related parties, except for impacts of the matters described in para 2.6 of our main report, are observed to be in compliance with Section 188 of the Act read with provisions of Insolvency and Bankruptcy Code 2016 pertaining to ratification of Related party transactions by CoC, where applicable and the details of such related party transactions have been disclosed in the Ind AS Financial Statements as required by applicable Indian Accounting Standard.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the order is not applicable.
- (xv) Except for the impact of Para 2 of our main report, if any, according to the information and explanations given to us and based on our examination of the records of the Company, it has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **Khimji Kunverji & Co LLP**
(Formerly Khimji Kunverji & Co – FRN: 105146W)
Chartered Accountants



Hasmukh B. Dedhia
Partner (F- 033494)
ICAI UDIN: 19033494AAAAMC1072

Place: Mumbai
Date: November 29, 2019



Annexure C to the Independent Auditor's Report on the Ind AS Financial Statements of Ricoh India Limited for the year ended March 31, 2019 ('the Main Report') as referred to in para 10.2(g) thereof:

Qualified Opinion

We have audited the internal financial controls over financial reporting of Ricoh India Limited ("the Company") as at March 31, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

According to the information and explanation given to us and based on our audit and also as described in Paragraph 2 of the Main Report giving details of Basis for Qualified Opinion, material weakness pertaining to IT application and general controls, maker-checker over recording and reconciling the manual entries and those relating to existence of contract work-in-progress; revenue from leases including ascertaining accurate bifurcation / nature of lease; reconciliation of consumables and spares consumed with related sales; accounts receivables including periodic reconciliations with customers, age wise analysis; classification of costs relating to items of purchase of traded goods including costs incurred towards warranty and certain contract expenses; assessment of warranty obligations and liquidated damages provisioning; recording of numerous manual entries were identified.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim Ind AS financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the objectives of the control criteria, the Company's internal financial controls system over financial reporting and design thereof needs to be enhanced to make it comprehensive and commensurate to the size of the Company and nature of its business, based on verification of process controls matrixes, made available to us for the financial year under report after the end of the said year and considering the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India ("ICAI"), We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit test applied in our audit of the Ind AS financial statements of the Company and the qualified opinion has affected our opinion on the Ind AS financial statements and we have a qualified opinion on the Ind AS financial statements.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain



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reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Controls over Financial Reporting:

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Ind AS financial statements.

Inherent Limitations of Internal Financial controls

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.

For Khimji Kunverji & Co LLP
(Formerly Khimji Kunverji & Co – FRN: 105146W)
Chartered Accountants



Hasmukh B. Dedhia
Partner (F- 033494)
ICAI UDIN: 19033494AAAAMC1072

Place: Mumbai
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